Fire Prevention Is a Duty (p. 12-14)

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The Nation's Business

Control Over Wheat Is Now Completed

Ending months of rumors, the Government this week ordered the closing of wheat trading on the Winnipeg market, closed accounts for the crops of 1940 and 1941 at a stated price, and raised the minimum price for wheat from 90 cents to $1.25 a bushel.

In doing so Ottawa does not appear to be adopting any radically new wheat policy, but rather sharply clarifying one that has been more or less in force for over a decade.

Undoubtedly the move has been under contemplation for many months, and the authorities only awaited a favorable occasion for execution. Sharply rising prices in the last few weeks, plus growing congestion of grain shipping, apparently furnished that occasion. This permitted the adoption of a higher minimum price to satisfy producers, while the operation of futures trading, now eliminated, became more and more difficult owing to delivery delays.

Government control of the wheat industry is now practically complete and at least some of the confusion over ownership of the crops harvested since 1940 has been clarified. From now on the Government must shoulder complete responsibility for wheat marketing. No longer will the Winnipeg Exchange be a cushion for criticism.

Any criticism of the new move announced last Tuesday will be more reasonable if it is realized that the extra millions that will now go into the hands of western wheat producers will come from the pockets of Canadian taxpayers. Not a cent extra will come from Canadian bread consumers.

Price increases for wheat milled for Canadian consumption are absorbed by the Government in order that flour and bread may continue to be sold at ceiling prices. Wheat supplied to Great Britain and other Allies is now at the cost of the Canadian Government, with purchases financed out of the Mutual Aid Plan.

With the Government thus the virtual purchaser of most of the wheat sold by farmers, it was probably inevitable that the Government should accept the responsibility of definitely determining the price to be paid by itself and to be received by farmers. For them, it is fortunate that it did not do so until the open market registered a rising price level. Wheat producers, and the rest of the country as well, will see in that higher level a generous measure of compensation for earlier prices regarded as unprofitable.

The Winnipeg Grain Exchange, through whose machinery there had been built up the most economical and efficient grain marketing system in the world, has served farmers well during the past few months before trading was suspended. Suspension of its operations, not infrequently advocated in recent years, when world conditions brought about low prices, will doubtless be resented in some quarters as based upon a Government policy of preventing prices reaching still higher levels.

The time will come again when wheat income will depend upon what customers abroad can and will pay for wheat and the machinery of the Grain Exchange will be essential. But while the war lasts, it may be taken for granted that open market wheat trading has been suspended in Canada, as took place during the last war, and took place in England at the outbreak of this war.

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OWNERSHIP IS CLARIFIED

In undertaking to buy for its own account previously accumulated stocks of Wheat Board wheat, the Government put an end to the fiduciary relationship which the Wheat Board had to holders of participation certificates issued against crops of former years. That relationship had become incompatible with the Wheat Board's position as a Government agency in acquiring wheat for Canadian consumers and other Allied countries. It is unfortunate that such certificates are still to be issued in respect to the new crop.

Doubtful as their prospective value may be, the mere fact that the Wheat Board will be dealing with two classes of wheat, one clearly belonging to the Government, and the other ostensibly handled for account of farmers, will create administrative problems which could have been avoided, by recognizing the Government as the real purchaser of new, as well as of all old, wheat.

Increased prices which western farmers will now receive on all grains, including payments recently announced on oats and barley, plus adjustments on wheat crops of previous years, will restore western grain growing to its former economic relationship to other occupations.

This new income will probably mean returns from grain $125 or even $150 millions more than last year.

Should this additional buying power be applied to commodities, there will be serious inflationary dangers. Applied to the liquidation of past debts, such dangers will be less and long-term benefits will accrue.

It is to be hoped that increased profits from selling grain will not reverse the tendency toward diversified farming and livestock production, which during recent years has broadened the base of farming operations in many parts of western Canada, besides enabling Canada to produce the meat supplies so urgently needed both in Great Britain and in this country.

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WHO WON THE TWO-PANT BATTLE?

Two-pant suits are back and a lot of people, including men who never bought two-pant suits, feel triumphant; feel that the citizenry has just won a great battle against WPTB.

Unfortunately, few ask themselves what they would have been wearing without the WPTB and its regulations. Few compare the quality and price of clothes this war and the last. Few compare their suits with the frayed and patched peacetime relics which are general in Britain.

The clear and usually overlooked truth is that WPTB is the consumer's friend; fighting his battle to get a share of available supplies at moderate price; trying, on the civilian's behalf, to see that he gets his just and necessary share and that the armed services don't get more than theirs.

Very obviously, the more supplies the WPTB can get, the easier its problems of rationing, distribution, price control. The fewer the restrictions the better its system will work.

No one suffered very greatly because of the two-pant ban. It is gratifying that the ban was lifted as promptly as an improved supply position justified.

So lifting the two-pant ban is no cause for a civilian triumph against the WPTB. It is a WPTB triumph for civilians.

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LET'S HAVE MORE OF THIS

Quietly, but with increasing success, Canada is getting the story of her war effort told in the United States.

An outstanding example of achievement in this line was the speech by S. G. Dobson, vice-president and general manager of the Royal Bank of Canada, before the American Bankers Association meeting in New York. Mr. Dobson gave a simple, clear-cut outline of Canada's war effort which could only have left his hearers with a clearer and fuller understanding of the Dominion's war effort. From editorial comment in the New York press, Mr. Dobson was obviously very effective.

Mr. Dobson's contribution to a better understanding was all the more effective, because he spoke as a businessman to businessmen. We should have more of it.

To Overhaul C-of-L Bonus Machinery

Government May Also Scrap Point System of Wage-price Policy to Stem Inflation

By STAFF WRITER

OTTAWA.—Overhauling of present cost-of-living bonus machinery and elimination of the point system of linking wages and prices together is expected as one important segment of the Government's new anti-inflationary wage-price program.

At midweek the Cabinet was still wrestling with a final decision on that program after having communed with party members and stalwarts in a five-day "political" recess. One reason for delay was undoubtedly the weighty decision on wheat and closing of the Winnipeg Grain Exchange which emerged as a matter of great urgency and which rounded out the extent of immediate relief which the Government was prepared to give farmers as part of the new stabilization policy.

Wider Social Security

Another reason was desire to link a decision on family allowances with a larger program of social security.

Thirdly, the Government was reported in a quagmire of indecision and uncertainty as to the hows and whys of its proposed new wage policy and the relation of that policy both for the present and the future in terms of an over-all price ceiling.

So far as the cost-of-living bonus is concerned, when the next quarterly bonus becomes due and payable on Nov. 15 next, it will be honored and paid. At the moment, the cost-of-living index, on which the bonus is based, stands 1.3 points above the last settlement figure. Assuming the index were not to rise any higher between now and Oct. 1, that would mean a payment by industry of at least 32 cents per week for every worker now entitled to the bonus.

Final Score on Nov. 15

There is still, however, the performance of the cost-of-living index as at Sept. 1 and Oct. 1 to be heard from before the final score on Nov. 15 will be known. Position of the index on Sept. 1, will be known within a few days; the situation on Oct. 1, will be known early in November. (In The Post of Sept. 18 it was erroneously reported that the bonus would become payable on Oct. 15. Next due date for the bonus is Nov. 15 when action must be taken covering the bonus position as it stands on Oct. 1.)

For the future, the link between the cost of living and a wage bonus will be dropped. In its place the Government will probably encourage but not enforce a levelling up of existing bonus payments and at the same time will announce a point

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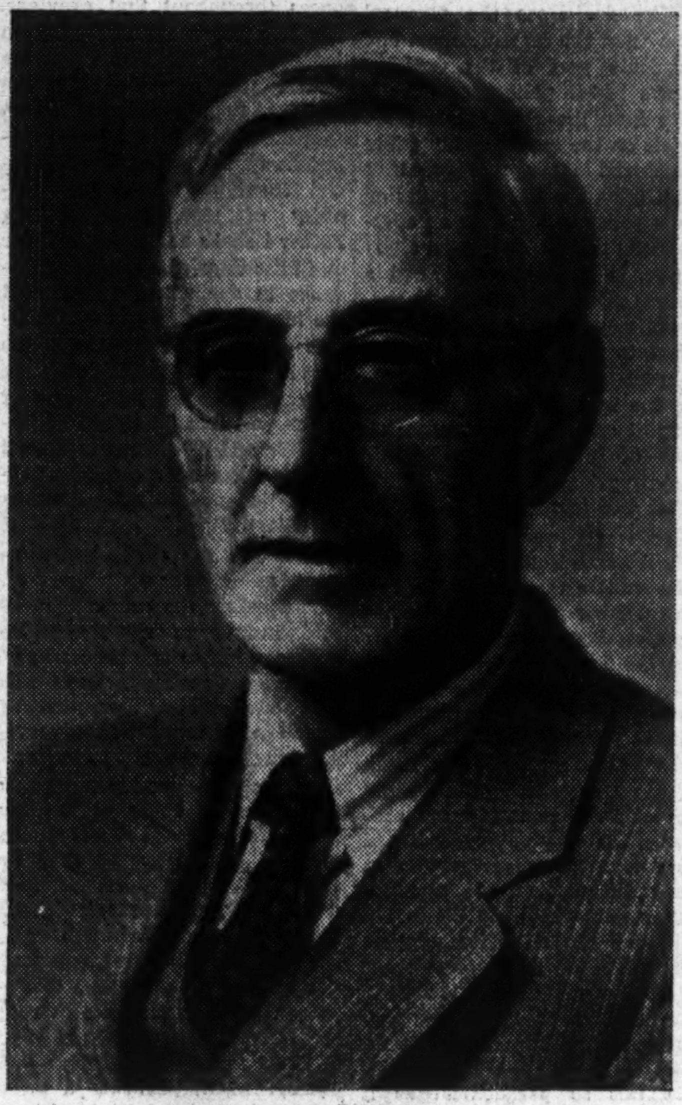


HEADS FARM ENQUIRY

Archibald Leitch, of Guelph, heads the new 23-member Agricultural Enquiry Commission which will investigate Ontario farming conditions with the immediate objective of increasing wartime food production. The commission is the first step of Premier George Drew to implement the agricultural end of his 22-point platform. Mr. Leitch, one of the largest tobacco growers on this continent, is a former head of the Economics Department of the Ontario Agricultural College and has been prominent in Canadian agricultural circles for over 25 years. A biographical sketch of Mr. Leitch will be found on page six.

Canned Vegetable Rationing To Come Soon, Grocers Argue

Basing their predictions on results in the canned vegetable pack to date, leading food merchandisers look for rationing of canned vegetables to be introduced later this fall. Fact that canned vegetables in wholesalers' hands have been frozen since late July is quoted as a contributing factor, rendering it considerably easier for the rationing authorities to impose rationing of these items when their release is decided upon.

Ottawa continues to be noncommittal on the subject, but it is indicated semi-officially that a decision will likely be reached in ten days or so.

First reports on the canning season indicate a 50% reduction in the pack of peas, 33 1-3% reduction in corn, and a drop of nearly 25% in string beans. The tomato pack is still uncertain, much depending on whether there is a frost before Oct. 10. But even with a good crop, it is anticipated that there will be a shortage for civilians owing to heavy Munitions & Supply purchases, which will account for half the pack.

Stocks frozen in the hands of wholesalers are believed to be too low to overcome shortages in the current pack, and it is felt that heavy consumer demand would rule out any voluntary distribution system, just as similar circumstances made rationing of jams, honey and canned fruits unavoidable.

Women Left Off Freeze Order List

Administrative Difficulties and Quebec Opposition Thought to be Reasons

By STAFF WRITER

OTTAWA. — One big surprise to thousands of high priority workers was realized last week that the Government's job freezing order covering high priority industry did not include women. When the order was first announced at Ottawa it was apparently interpreted by a large number of employers as including both men and women.

Based on Jan., 1943 estimates, there are about 620,000 women engaged in high priority (A and B) industries covered by the man-freezing order of last week. Of this total about 216,000 (21% of total employment in this group) are engaged in direct war employment. The remainder, 406,000 (about 40% of total employment in this group) are engaged in essential civilian industry graded with A or B priority.

Quebec Might Object

Reasons for not freezing women are in part political (there is strong objection in Quebec to anything which savors of conscription of women into industry or other occupations) and partly the heavy administrative load which would be placed on NSS by reason of the very heavy turnover of women workers.

Some industries are affected much more severely by the freezing order by reason of the smaller proportion of women in their employ. Following percentages give some indication of the relative proportions of women employed in key war industry groups:

Proportion of Women Employed in Key War Industry

	%
Shipbuilding	3
Gun production	21
Aircraft	26
Tank production	9
Ammunition (except S.A.)	42
Small arms production	44
Ordnance accessories	20
Small arms ammunition	47
Explosives	23

Cut American Newsprint Use

From Our Own Correspondent

MONTREAL.—Effective Oct. 1, American newspapers using 500 tons or more of newsprint a quarter, are required to cut a full 10% off the base total calculated on 103% of net paid circulation in 1941.

An order to this effect was issued by the War Production Board, which exempts users of less than 25 tons a quarter. However, for those using more than 25 tons, a sliding scale was worked out for calculating reductions ranging from 5% for users of 50 tons to the full 10% for users of 500 tons or more a quarter.

Metal Supply Better and Home Front Gains

Shortages of Labor and Fabricating Facilities Likely to Limit Changes But Essential Civilian Programs Stand to Benefit

By KENNETH R. WILSON

OTTAWA.—Supply position of almost all the "critical" metals is now materially easier, The Financial Post is informed. This applies especially to copper, zinc and aluminum.

Nickel production is still short of being "comfortable" in relation to demand because of manpower shortage at Sudbury, but seasonal flow of men from farms and lake shipping in the next two months is expected to give some relief here.

What emerges for 1944 is the prospect that supply position of these critical metals will be adequate to warrant some diversion of these metals into high priority essential civilian uses. Actually, however, the supply position is now, and promises for some time to come, to be ahead of availability of fabricating facilities and the supply of men needed to fabricate other than essential war requirements.

What looms ahead, therefore, is a situation where critical metals which Canada herself produces will be considerably easier so far as supply position is concerned but that there are still bottlenecks to be overcome in fabrication before the picture changes very materially in regard to civilian production.

Survey Civilian Needs

Meanwhile it is understood that important studies are being urged on provincial and other authorities to determine the extent and nature of demand in highly essential civilian programs to determine how much critical material could be used in respect of at least two fields: (a) rural and farm electrification and equipment; (b) household appliances.

These are thought to be two fields where there is a high priority need for certain extra allocations of critical metals. In respect of farm electrification it is thought that the current urgent demand for additional farm production might be met to some extent if additional materials were released. Thus, steps are now being taken to work out programs and estimate demand so that as supplies become available they can be directed in the most useful and effective channels.

Most important is the fact that stock piles of war supplies are now rapidly filling and once they are filled not nearly so much material is needed to maintain a flow of supply.

Next, supply lines have been greatly shortened by the opening of the Mediterranean. This has cut 4 to 6 weeks from the time schedule and the shortening of these lines has relieved supply factors considerably.

Another important reason is the reduction in submarine casualties on the high seas. Losses last spring and late winter when measured in terms of metal output were such as to require the production of a vast amount of minerals to replace the disappearance.

To what extent the surplus of steel from war needs will parallel the surplus of other critical metals is not yet clear. So far as the overall supply of steel is concerned the situation is not as revealing as in individual areas. Thus while supply situation on sheets and bars is still very tight there is a considerable easing up in structural steel. Here again, first quarter needs and supply for 1944 are expected to show a marked improvement over 1943, with considerably enlarged allotments for civilian needs as compared with the present.

Great care is being taken to avoid any letdown in war production or any exaggerated impression that there is going to be an overall lifting of the present ban on civilian goods. True, the situation has improved, as has been indicated, but that improvement can only be maintained (a) by the utmost effort to maintain production of war materials in face of a steadily tightening manpower situation; (b) by the most careful review of civilian requirements with a view to relaxing present restrictions only in cases of urgent essentiality.

Grain Market Is Closed In Price Control Move

From Our Own Correspondent

WINNIPEG.—Closing of wheat trading will be received by mixed feeling among the trade. It is still too early to appraise the full implications of the government move as certain details are not yet clear and the marketing machinery of Canada's chief crop is a very complicated affair. Most grain authorities, however, will regard the drastic step this week as probably inevitable. It follows a similar move in Great Britain early in the war and in Canada in the third year of the first Great War.

In recent months trading has been far from normal. Due to curtailed deliveries from farm, serious congestion of shipping and controlled exports, wheat has not been moving freely and unless it does it is impossible for open trading to function properly.

For some time futures prices have been lower than current transactions because of inability to guarantee delivery, which means that normal hedging has been impossible if full current prices were to be paid. Hence farmers have been unable to get the full market price for wheat sold, which fact has given rise to considerable resentment.

Speculative Buying Ended

Under the new arrangement speculative buying will be eliminated and farmers will look to the Chicago market as indicating trend of world prices.

While coarse grains do not come under the trading ban, the active market for these products, with the exception of rye, has already been practically eliminated for some time as oats and barley have been right up against fixed ceiling prices.

Aside from the elimination of speculative business, some traders see no great change for the average grain dealer. It is presumed that the government will still depend on the elevator companies and other grain companies to handle the crop.

Ottawa View

OTTAWA.—Holding the lid on Canada's price ceiling and facilitating operations under mutual aid are given here as chief reasons why the government moved to close down wheat trading on the Winnipeg Grain Exchange and raise the minimum price to $1.25 per bushel.

Recent wheat prices have been rising steadily and general opinion among the trade thinks that this is only the beginning. Possibility of big exports to the United States and heavy relief shipments to liberated areas in Europe strongly back such a view.

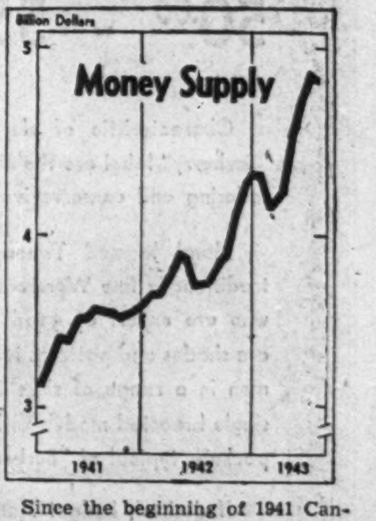
Under the circumstances the government faced an increasing spread between the fixed price of a little under 80 cents per bushel to millers for wheat used for milling flour for the domestic trade and the current market.

With little possibility of increasing the fixed price of bread, this spread, which is covered by government subsidy, promised to widen sharply, with consequent still heavier losses to the Canadian taxpayer.

Prices for these crops have now been fixed at $1.23½ per bus., the closing price of last Monday's market. Final settlement will be fixed on this basis and the carry-over of these crops now becomes the full property of the government.

Whether the closing-out price for the 1940 and 1941 crops will only apply to the unsold portion or all the crops of those two years handled by the Wheat Board is not yet clear. Also not clear is the effect of the new higher wheat price on the feed grain being moved down from western Canada to eastern livestock feeders. Hitherto only financial help offered in this connection has been in freight subsidies.

Pace of Business



Since the beginning of 1941 Canada's money supply—sum of circulating media in hands of the public and total bank deposits—has risen almost 52%, or from $3,193 millions to $4,851 millions. This has been accomplished by a rise of 96% in cash in the hands of the public and one of 46% in total deposits. This condition is one having traditionally inflationary possibilities with rising ability to buy operating against declining supply of goods.

For complete business data, see page 7.

Children's Allowances

Should Canada Bonus Babies?

Child Allowance Plan Promises Thorny Tasks Ahead

By DR. GEORGE F. DAVIDSON, Director Candn. Welfare Council, Ottawa

Report that the Federal Government of the Dominion of Canada is about to implement the far-reaching proposal that cash allowances should be paid from public funds toward the support of every child in Canada under a given age regardless of economic circumstances seems to have evoked singularly little response from the Canadian public that is supposed to benefit from it — as well as pay for it. The plain fact is that Canadians generally are more than usually uninformed on the implications of this present proposal.

MR. DAVIDSON

Whereas such a program has been widely discussed in Great Britain for years in an effort to convince trade unions that they should abandon their opposition to it in the belief that it tends to hold wage rates at a depressed level, and to convince the conservatives that children's subsidies will not destroy the moral fibre of the British stock, there has hardly been a whisper of discussion on this continent, with the exception of Quebec. Although most countries in Europe—fascist and democratic alike—as well as Australia and New Zealand, have actually inaugurated systems of children's allowances, it has not yet penetrated the Canadian consciousness to any great extent. It would be just one more paradox centring about the subject should Canadians wake up some fine morning and find that their Government had adopted children's allowances without the public really understanding very much about them.

Basic Principles

Basic principles underlying children's allowances are simply these. Family needs vary according to the number of children in the group, while most family incomes in a wage-earning industrial type of economy do not. Instead, family incomes or wages are geared to the skill and productivity of the family head in the factory or in wage-earning employment generally. It is inevitable and eminently proper that this should be so. Wage levels cannot and should not, according to proponents of children's allowances, be adjusted to the size of a man's family responsibilities; they must be geared solely to that man's worth to his employer.

But since family needs do vary greatly on account of children, and since, from the national point of view, our children as our future citizens are of over-riding importance, provisions should be made to secure a lightening of the economic burden for the man who has children dependent on him, and to secure at the same time a decent minimum level of economic maintenance for the children themselves. Such is the argument of the sponsors.

This is accomplished, outside the wage structure entirely, by the payment of children's allowances — from State funds on a non-contributory basis, or, as in pre-war France, through systems financed by industry.

Advocates of children's allowances argue that subsidies to children solve at one fell swoop many of the most complicated problems of our time. In the first place, unlike many forms of social insurance and other social services which benefit primarily and sometimes solely the industrial worker, children's allowances benefit urban and rural families alike. If anything, in fact, they provide a greater degree of help to the rural family than to the urban, since the birth rate is higher generally in the country. They would thus go far in the direction of solving the chronic rural problem of a scarcity of cash income.

In terms of the urban family, they would serve, it is argued, to remove the child from the hazards of the wage struggle, freeing the family man so that he has the same measure of independence as the single man.

Payment of child subsidies simplifies many of the problems involved in integrating social insurance payments with wage payments, making possible a more streamlined system since it is not necessary to vary insurance benefits according to the number of children. Children's allowances, paralleling both the wage and the insurance structure, take care of these differences in need.

From the economic point of view, payments on behalf of children would, it is contended, tend to stabilize the volume of consumer purchasing power by maintaining, in direct channels where it will be most effectively used, a steady flow of cash income that will be directed almost exclusively to consumer needs.

May Check Falling Birth Rate

The effect of children's allowances on the birth rate is a dubious and much debated point. But the view is held in some quarters that such a system would either succeed in reversing Canada's declining birth rate, or at least check the rapidity of its descent by stabilizing it at a rate which will maintain our population on a self-reproducing basis.

From still another point of view proponents declare that, without having any significant effect on

(Continued on page 2, col. 3)

Should Canada Bonus Babies?

(Continued from page 1)

the actual birth rate, such allowances will tend to increase the size of small families and reduce (through the effect of higher living standards) the size of extremely large families, thus producing a more uniform size of family which will benefit by the opportunity of being raised in healthier and more secure economic circumstances.

Finally — though this by no means exhausts the list of arguments — it is pointed out that through income tax exemption for children, through dependents' allowances for the armed forces, through workmen's compensation, mothers' allowances, relief and numerous other types of payment, children's allowances are already in effect over a large section of the population. If these systems recognize the propriety of subsidizing families according to the number of children in the home, and particularly if income tax exemptions provide a children's allowance in reverse to those who are in a position to pay taxes, surely, it is argued, there is a compelling case for an over-all system, to include the economically disadvantaged sections of the population whose income is below the tax-paying level, and whose need is consequently greatest.

Counter Arguments

For each of these arguments the critics of the family bonus plan have, of course, a counter argument. Sooner or later the familiar criticism is voiced that "children's allowances place a premium not on man's capacity to produce, but on his power to reproduce." Result, it is claimed, would be to provide a financial incentive to the production of large families among the economically unproductive and chronically dependent sections of the population. The drones would increase in numbers and the national stock would deteriorate—all at the expense of the active working elements in the population. Some family men might even "go into the business" of raising children as a means of earning a livelihood, and this introduction of financial considerations into the family picture would degrade the sanctity of the family and marriage relationships.

Moreover, argue the antis, what would be done about the families where there is a large number of mentally subnormal children —or where the parents are subnormal? What could be done about the dissolute parents who would promptly squander the children's allowance in the beer parlor, or at the liquor store?

Finally, and most potently, the argument is advanced from certain labor quarters that children's allowances will tend to depress wage levels or to prevent wage adjustments to more adequate levels than prevail at present. Labor, it is alleged, will, through family allowances, be deprived of one of its most important bargaining arguments—the argument of family needs as a reason for increased wage levels.

Social or Wage Policy?

This brings us to an interesting and highly significant point in connection with the current proposals for children's allowances in Canada. Does the proposal stem from the Marsh Report and constitute part of the Government's **social** policy; or does it arise from the McTague-Lalande report on the recent enquiry into wage and labor matters, thus identifying itself as a proposal on **wage** policy rather than an over-all social policy? As a third alternative, is it to be considered a sincere effort at compromise between wage and fiscal policy—an effort to meet labor's claim for adjustments in wages, constituting the bulk of family incomes, without creating the pressure on costs of production and consequently prices that would follow from a direct boost in wages themselves?

CC of L Thumbs Down

Immediate reaction of the two largest labor groups in Canada—the Canadian Congress of Labor and the Trades and Labor Congress of Canada — has been to date unenthusiastic, if not openly critical. The Canadian Congress of Labor, for example, meeting in Montreal, passed a resolution condemning the family bonus proposals, the very day after it had decided to recognize the CCF as the political arm of organized labor. And yet the CCF is the only one of the major political parties that has expressed itself in favor of children's allowances, having done so at its national convention in Toronto on July 29, 1942.

Is this so paradoxical as it sounds?

The explanation can probably be found in the fact that the CCF favors children's allowances as part of its over-all social security policy, while the CC of L apparently has assumed that children's allowances are being proposed as an alternative to the adjustments in wages themselves to which they think employees are entitled. This assumption brings them right back to the very issue which caused many of the largest and most powerful trade unions in England to oppose children's allowance for years—until, under the influence of the comprehensive Beveridge enquiry—they came to see that children's allowances had a place, not so much in the wage structure, but in the over-all social security picture.

But what about public opinion outside the CCL-CCF-TLCC triumvirate? For example, in this, as well as in all questions of all-Canadian import, one is bound sooner or later to ask, "What about Quebec?" Here is one question where the attitude of Quebec is more easily ascertained than that of any other province. For Quebec has studied children's allowance for years and is probably more familiar with the proposals involved than any other portion of the Canadian population.

Father Leon Lebel

For years Father Leon Lebel has been writing and speaking on behalf of children's allowances throughout that province. His was the main testimony in favor of the proposal when the matter was considered by the House of Commons Committee on Industrial and International Relations in 1929. The Quebec Social Insurance Commission Inquiry of 1933, after hearing Father Lebel's testimony in favor and Miss Charlotte Whitton's evidence in opposition, "abandoned the idea of proposing the institution of family allowances in the Province of Quebec," giving six reasons, the most interesting of which was that "it would be impossible and dangerous to extend family allowances to the whole population and to make them a State institution."

And yet the Catholic Syndicates, as early as 1933, were on record before the Commission as being in favor of "any reasonable system of family allowances," and as recently as Sept. 20 of this year advanced a resolution at their annual convention advocating a provincial system of allowances, only to have the resolution withdrawn in favor of another calling for a special report on the proposal by the governing body of the Syndicates. Quebec, it seems clear, because of its larger families and higher birth rate, has more to gain in purely financial terms from children's allowances than any other province; consequently it would be strange if there were not, for this and other reasons, probably a more substantial body of opinion favorably disposed to children's subsidies in this province than elsewhere at the present time.

Pattern of France

Moreover, legislation was introduced and passed at the last session of the provincial legislature of Quebec paving the way for agreements to be negotiated between employee groups and industries whereby children's or family allowances might be included as part of collective labor agreements. This follows the pattern of France and other European countries, allowances being paid by the employers with the result that they are to all intents and purposes incorporated into the wage structure and subsequently into prices as a reflection of production costs. It was this type of children's allowance paid by industry that was the chief cause of British trade union opposition for many years, on the grounds that they clearly operated as a substitute for straightforward wage adjustments.

Some support for such a system was in evidence on the part of organized farm groups in Manitoba and other prairie provinces a few years ago, but on the whole the farming population along with other large sections of the Canadian people has to date given little indication of any interest in or understanding of the children's subsidy proposals.

A Provincial Matter?

At this point the question may be posed: has the Federal Government the constitutional power to inaugurate and administer a system of family allowances? Comment on the Marsh Reports from the Province of Quebec, as well as the Catholic Syndicate resolution, referred to above, indicates a disposition to insist on children's allowances being administered under provincial auspices. Possibly the Federal Government might be able to act directly, if it introduced the scheme as part of its wartime wage policy. But if it endeavors to avoid the apparent hostility of labor by introducing the plan as part of its postwar social security program, can it use its emergency wartime powers to introduce what will, under those circumstances, be really a part of postwar peacetime policy?

Or again, how can the plan be administered? As long as rationing systems are in effect, it could no doubt be handled simply and effectively. Provided the scheme were a federal one, it could be tied up to the ration book system which is in effect a type of national registration. But when peace returns, and ration books and controls go by the board—if they do—what then? If children's allowances are introduced in time of war, it is hard to see how they could be abandoned when war ends. This means that if they are tied to an emergency wartime administrative structure, there must be some provision for setting them up on their own feet, under either federal or provincial administrative auspices, on termination of hostilities.

Finally a word about cost.

Variables Affect Cost

Actual cost depends on such a great number of variables that no one can give an exact estimate without knowing exactly what proposal is being made. The simplest thing to do is to take an outside figure. No one, for example, seems to have suggested that allowances to children should extend much beyond the 16-year-olds, nor has serious consideration been given by many to payments exceeding the current value of income tax exemptions for children—namely, $108 per child per year. Since the 1941 census figures show that there were approximately 3,500,000 children under 16 on that occasion, a simple calculation will suffice to indicate that the maximum possible commitment before offsetting savings would be of the order of $375 millions to $400 millions per annum.

Payment only up to the age of 14 would reduce the number of children to approximately 3,200,000 and the gross cost to slightly less than $350 millions. If no payment is made for the first child in the family (as Beveridge proposes in his report), cost of the program would be cut approximately in half. If payments are less than the value of the present income tax exemption for children, the cost would be correspondingly lessened. In any event there would almost certainly be substantial offsetting items, since direct payment of allowances on behalf of children would probably involve wiping out of present income tax exemption.

Wide Range of Guesses

No one seems to know how much this item would amount to — not even the Income Tax Branch itself—but "guesses" have ranged all the way from $50 millions to $100 millions per annum. In addition, there might be substantial offsets on account of savings in dependents' allowance payments, provincial mothers' allowance programs, and in numerous other ways. All in all, however, it is very much to be doubted whether the total of these offsets, taking everything possible into consideration, would exceed $125 millions. This means that the net cost of an over-all system of children's allowances would almost certainly exceed $225 millions per annum, unless:

(1) The first child is exempted from payment;
(2) The age limit is reduced below 14;
(3) The payment is based on an amount less than the present income tax exemption of $108 yearly.

These are some of the pros and cons of children's allowances. Answers to all of the questions may never be known. On the other hand, if Ottawa proceeds with the proposals currently under consideration, all of us as Canadians may begin to find out some of the answers, even before we have had a chance to ask ourselves all of the questions involved in this "revolutionary" program.

Plan to Overhaul C-of-L Bonus

(Continued from page 1)

at which consideration of a further bonus payment will be made.

In short, supposing that by Nov. 15, the cost-of-living index (which currently stands at 119.2) has risen to 120. A new cost-of-living bonus (about 52 or 53 cents a week) will then be payable on that basis. What the Government is then expected to do is:

1. Abolish the present quarterly link between the cost of living and the payment of a bonus;
2. Encourage levelling out of bonus payments as between industries, individual employers, etc. (Perhaps even countenancing the incorporation of some bonus payments in regular wage rates);
3. Set some new top limit (say 125) as a point where, if the cost-of-living index were to soar that high, consideration would then be given to payment of a further bonus.

As for the broader aspects of the Government's new wage-price stabilization program, most important recent decision on the Cabinet level has been acceptance of the recommendation of the Economic Advisory Committee that family allowances be treated separately and not as part of the present wage-price impasse. Accordingly, the Government, though wavering somewhat in its original enthusiasm for the plan, has been busy wrestling with some scheme for tying the allowance proposals into a larger packet of specific social security measures.

In the field of wage policy there is still the greatest uncertainty and doubt as to the application of any formula which would help give relief to workers in low-paid industrial categories and at the same time permit the holding of the over-all wage-price ceiling.

What seems inevitable in whatever program is finally approved is that administrative difficulties under the price ceiling are bound to increase very materially in the next few months.

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In Your Opinion—

Family Allowances Versus Wage Ceiling?

The Question: In long run interests of Canada, which is preferable, relaxing present wage ceiling or family allowances?

C. E. Anstie

Shell Oil Co., Vancouver, B.C.

Relaxing the present wage ceiling to permit wage increases will, in the long run, have the effect of actually decreasing the average income of everyone and severely hit workers and lower income brackets since the cost of living will automatically increase for everyone.

If some simple, workable plan of subsidies or family allowances for low income groups can be devised the result will be at least a better control of the tendency toward inflation and will take care of the condition where it is most severely felt, namely, workers who are the sole support of families. No lasting good can be effected from weakening present wage and salary control at this stage of the national economy.

* * *

J. C. Aubry

L. N. Messier Ltee, department store, Montreal.

To further the long run interests of Canada, I would be in favor of family allowance for low income groups rather than relaxing the present wage ceiling. Our nation, as all white nations, is suffering from a decrease in natality rates, and it will be a major problem to fill in the empty age groups that will be brought about by this present war.

An increase in the present wage ceiling due to the large extension in employment of girls and women, young boys and handicapped would not prepare us for a solution to this problem, while family allowances would surely constitute incentive to higher natality rates.

* * *

Gustave A. Beaudry

Branch manager, Sun Life Assurance Co., Quebec City.

If there is a need of relaxing the wage ceiling, I would favor family allowances by all means without shameful birth control. These allowances should be paid through frozen war savings certificates for the duration, otherwise you get inflation, price ceiling skyrockets and the black market reaps the benefits. Anyone with anything to sell will tell you that this low income group does all the buying at present. Let us watch both ceilings with an eye on the black market also.

* * *

Adam Bell

British Columbia Deputy Minister of Labor.

Absolutely immovable ceilings on wages and prices were not contemplated in Canada's anti-inflation program inasmuch as regulations permit of limited relaxation at the discretion of administering bodies, but unrestrained or unbalanced relaxation in either or both aspects can only mean collapse of the entire plan. A solution might be that in addition to the mandatory cost of living bonus, employers pay a further bonus of equal amount to all employee heads of families earning less than twenty-five dollars per week, the cost of additional bonus being refunded to employers by the government by deduction in income tax.

* * *

Prof. V. W. Bladen

University of Toronto, Toronto.

How useful family allowances will prove in assisting to maintain the wage ceiling and thus fighting inflation depends on the attitudes of labor and the success of the Government in influencing those attitudes.

It is not a technical economic problem so much as one of industrial psychology. But the experiment is welcome on other grounds, especially as part of a population policy. It would have possible effects on the rate of natural increase via increased fertility and decreased infant mortality and on the quality of our people through improved nutrition in childhood. It is worth considering paying the allowance directly to the mother.

* * *

H. H. Blakeman

Empire Life Assurance Co., Kingston.

Our Canadian plan of price and wage controls has proved as effective as any in curbing wartime inflationary tendencies and deserves continued public support. The direct approach in reconciling the more serious existing pressures is some adjustment of wages in low income groups combined with extension of subsidies and cost of living bonus.

Family allowances should be introduced only as part of a comprehensive scheme of social security after careful consideration of problems involved. Administrative and other difficulties, together with the political implications of a hastily adopted plan would render this device largely ineffective for the present situation.

* * *

A. R. Brennan

Summerside Journal, Summerside, P.E.I.

Relaxation of the present wage ceiling involves the whole earning population, increasing production and living costs and in every phase of national economy developing into a vicious spiral resulting in disastrous inflation leading to economic collapse.

Reasonable family allowances, where on investigation they are found definitely essential, are more controllable both for the amount and duration of allowance, but definite restrictions based on wage earners' income, living costs in the locality and conditions existing are also all controlled by decreasing amounts per child. As family numbers increase, it is essential to maintain equitable and workable arrangements. Rural conditions do not require living allowances to the same extent as urban.

* * *

C. H. Burgess

President, C. H. Burgess & Co., investment dealers, Toronto.

If it must be one or other, I prefer family allowances. But neither will work. The cost of family allowances can be more nearly estimated than payment of unlimited wages without guarantee of amount of production. We pay for both in any case.

I never can understand why civilians, living comfortably at home, should receive preference over soldiers who give all and live in discomfort. Complaints of present conditions come more from those without rather than from industrious people with normal families.

* * *

Charles W. Campbell

Trustee, Citizens' Research of Canada, Moncton, N.B.

There should be no lifting of wage ceilings for the duration. The armed services are not agitating for increases. Capital and enterprise are co-operating in prevention of inflation; labor must do likewise to hold down living costs. After the cessation of hostilities, wages and prices must find their own level. Government control should then be replaced by Government counsel and supervision.

The Government must revert from master and tyrant to tutor and mentor. Family allowances are much like the dole or relief. Young Canada, long since weaned and seeking healthy, independent manhood, must thrust the Government bottle aside and work and fight for its needs, wants and fancies.

* * *

G. B. Clarke

General secretary, Family Welfare Association, Montreal.

Something must be done to aid families of the low income group as the present policy of freezing wages is causing real hardship to less skilled workers with large families. A general increase in wages, resulting from relaxing the present wage ceiling would likely result in inflation and the increase in costs of consumer goods would nullify any benefit to those now in distress. Family allowances extend a helping hand to those least able to bear the war burden and will enable them to conserve the most precious of Canada's resources—our children. Added taxation should be cheerfully borne by those who believe in social justice.

* * *

Martin M. Cohn

Executive director, Canadian Jewish Congress, Central Division, Toronto.

The choice as stated in the question presents false alternatives. It is not a matter of either one or the other. Children's allowances are a supplement to, not a substitute for, an adequate minimum wage for two people. Both family allowances and higher wages put more money into circulation and may lead to inflation based on more money than goods available in the absence of adequate controls. Family allowances and minimum wage regulations are both essential security measures to assure decent living standards in the long run interest of Canada.

* * *

Harold Crabtree

President, Howard Smith Paper Mills Ltd., Montreal.

It is my opinion that the maintenance of wage ceiling is imperative if we are to avoid serious inflation. I am unable to express any opinion in regard to the advisability or necessity of family allowances for low income groups.

* * *

Prof. G. F. Drummond

Department of Economics, University of British Columbia, Vancouver.

It is differences in wages within the ceiling that is causing unrest and not the principle of the wage ceiling, specially as between war and other industries. I would suggest a wage policy of greater equality for comparable occupational groups within the ceiling. Any increase in total wage disbursements might be offset by the immediate imposition of a percentage social security levy to meet postwar social services or by an increase in income tax at the source for this purpose.

Child maintenance is a separate consideration and it should not be adopted as a substitute for higher wages but only on its own merits. Child maintenance by payments in kind through the issue of commodity coupons for children's clothes, etc., avoids direct cash payments.

* * *

Mrs. H. A. Dunham

President, Federated Women's Institutes of Canada, Havelock, N.B.

The relaxing of present wage ceiling, granting family allowances and cost of living bonuses, are equally wrong both in principle and practice. All smack of special privilege, all benefit urban workers, all neglect small independent businesses.

Few receive lower wages than the private soldier, sailor or airman, who take all the risks and stand between us and defeat. To me, at a time when Canada needs men and money to maintain personal and economic liberty, reconstruction and rehabilitation, no one should be outside the low income group whether he be placed there by wage ceiling or income tax.

Dr. Stephen Leacock

Well-known Canadian economist and writer.

I do not believe that family allowances would serve to meet the present situation although I consider family allowances for illness, maternity care and education of children to be a very important part of a complete social structure such as we would wish to set up after the war. But they would not fit at present.

If instituted at all they would be claimed and granted for political reasons over a wide area to people on farms and others not connected with industrial wages. But I do think that we must try to keep a constant pressure at work to prevent wages reaching a point where they force up prices to consumers and inflation comes with a rush.

We should aim at keeping to the spirit of the regulations of the fall of 1941 which declared all wages and prices, with certain exceptions, fixed at the level of that period. The exceptions ate up the rule and, in addition to this promotion of workers from classification to classification has taken the place of wage increase and floats them all up towards the top, bumping against the ceiling. It is a difficult thing to unscramble eggs but that is what we must try to do. If I were King, to use an old phrase, or if I were Mackenzie King, to use a new one, this is what I would do:

I would make each and every rise of wages from now on a matter of government consent. I would ask employers and employees to act together and failing that, I would have the government run the industry with a fair understanding and warning that wage earners' pay would be approximated towards army pay and be less than full competitive wages and that profits would be replaced by a rent paid to shareholders adjusted at a lower point than their current dividing and beyond that would be swept off as taxes.

But I would put all wages at a point where the brokers were getting what would have been thought fine wages in 1938, whether reckoned in money paid or in purchasing power. With that offer, I'd let them work for the government or not work at all, just as they liked. Then we would see what kind of people we are and what kind of support we are giving to those who give their lives. I think goodwill would carry the day.

* * *

Ernest B. Mayon

Editor, Herald, Merritt, B.C.

I favor family allowances as the most apparent means to avoid inflation disaster. It would relieve suffering without destroying the control system. Allowance would assist anchored workers with families like farmers, and it ties in with agricultural security needs in postwar rehabilitation.

This plan would tend to increase the population in fair proportion across Canada by an increase of native Canadians, offsetting living space claims by envious nations. The plan would be the first practical demonstration of sincere government desire to establish an improved social order in a progressive democratic manner. Thus Canada would lead the way by implementing freedom from fear and want—the principles of the Atlantic Charter.

* * *

Allan Meikle

President, Canadian Federation of Labor, Ottawa.

Children's allowances for families with low incomes would have a less inflationary effect than a relaxing of wage control. That is the only warrant for any major social or economic adjustment in time of war. Reforms which were eminently desirable but which remained unfinished business when war broke out should, in my opinion, stay until the war ends, unless their adoption (preferably in part) will speed the day of victory.

All else is exploitation of the nations' need for sectional advantage.

As the question suggests, children's allowances for families of low income are the only alternative to the relaxation of wage control. Without commitment and without regard to long run interest, let us therefore have children allowances strictly as a wartime safeguard against inflation.

* * *

A. J. Milner

Mills, Spence & Co., Toronto, and member Canadian Welfare Council.

Price control in which wage ceilings are incorporated has been the greatest factor in preventing undue inflation in Canada during the present war and should not be abandoned now with victory in sight. On the other hand, the average wage earner with a growing family has not benefitted from continuous employment to nearly the same extent as the single wage earner or the wage earner without a growing family. I feel that increased family allowances are preferable by far to relaxation of the wage ceiling and would tend to even the load of present necessarily high taxation.

* * *

Prof. J. R. Petrie

Professor of Economics, University of New Brunswick, Fredericton, N.B.

A general upward revision of the present wage ceiling must inevitably result in breaking the existing price ceiling. Such inflationary policy would be disastrous particularly for low income groups. It is vitally important to the national economy that the price ceiling be maintained at all costs. The present wage ceiling should therefore be held solidly.

I consider the family allowance plan as a social security fundamental and would regret its use now as a political stop gap in wage price impasse. Its judicious application, however, is the answer to low income group problems raised by rigid wage ceiling maintenance.

* * *

C. W. Peterson

Editor, Farm and Ranch Review, Calgary.

Family allowances beginning with the second child is recognized in nearly all European countries and elsewhere as good public policy in the interest of health and increase of birth rate, so it is vitally important to Canada, and particularly urgent to our farm families with the greatest number of children and lowest share of national income.

It would also rationalize labor income and bring it more in the line with human needs and would thus tend to relieve constant pressure for wage increase ultimately resulting in commodity prices beyond the purchasing power of the community. It is the principal cause of abnormal unemployment. I strongly favor the plan.

* * *

Rupert C. Reece

K. P. Stoddart & Co., Winnipeg, and member Canadian Welfare Council.

I hope the wage ceiling is not a long-term Canadian policy, but merely a war measure. Despite hardships and inequities in some phases of industry, I consider ceilings have been of inestimable value and economy to Canada. Anything tending to disturb or adversely influence price ceiling structure is a thin wedge towards inflation.

Surely, thinking citizens shudder at the thought of inflation, mindful of the suffering chaos it caused certain European countries after the last war and the present unhappy picture in such countries as Mexico. I much prefer a family allowance for low income groups as being sounder and fairer to all concerned and more easily adjusted in keeping with the times in the postwar reconstruction period.

* * *

G. C. Rooke

Rooke, Thomas & Co., Chartered Accountants, Regina.

The present wage ceiling should not be relaxed, but other means must be used to take care of any existing hardships and inequalities. Rigid adherence to wages and price ceilings may be difficult to maintain but difficulties must be met if we are to avoid inflation. Family allowances for lowest income groups would alleviate the worst hardships and would cost less in money and misery to the average citizen than would any degree of real inflation. Ceiling policy provides economic education for everyone, which will prove invaluable in the long run.

Montreal Stock Values Move Up During August

Value of listings on the Montreal Stock Exchange and Montreal Curb Market moved up $21 millions during August to $7,485 millions. Compared with August last year the improvement registered was $1,464 millions.

Gold mining shares featured in the higher classifications with an improvement of some $27 millions in August. Others that were ahead included automobile accessories; banks and financial companies; breweries and distilleries; iron, coal and steel; oil; pulp and paper; and retail trade.

Out with the old world—On with the new

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British Papers Secure Extra Newsprint Ration

An 11% increase in the newsprint ration for British daily and Sunday newspaper went into effect on Sept. 27. It was granted specifically to make more newspapers available to the fighting forces.

The additional newsprint must be used for printing more copies and not for extending size of papers, which has now been forced to six pages as against 20 to 36 before the war. Under existing rationing, sales of British newspapers are largely restricted to standing orders.

Greater Montreal Group Reduce Tax Arrears

Tax arrears of the 14 municipalities under supervision of the Montreal Metropolitan Commission now total $565,297. This represents a decrease of 33% since the end of last July and amounts to only 3.14% of the total tax imposed.

The arrears, listed from 1940 to date, show that Westmount and Outremont have the lowest percentage, both 2.47, while Montreal North reports the highest with 6.61.

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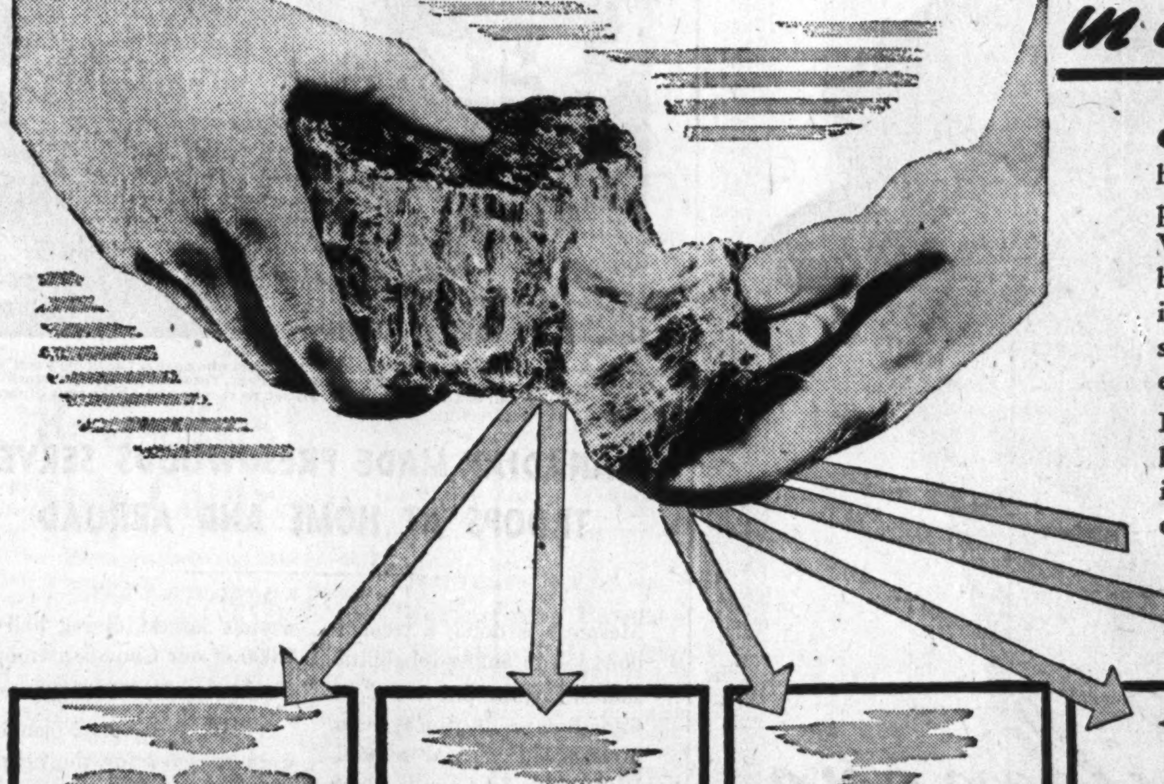

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ARMOURED VEHICLES. Woven Asbestos Pads for Bren Carriers, Ram Tanks, etc.; Asbestos Millboard Pads for Bren Carriers and Tanks; Battery Covers for Tanks; Brake Linings.

NAVAL UNITS. Pipe Coverings; Sheet and Block Insulations; Banroc Blankets; Insulation Mattresses; Asbestos Cloth; Packings; Shell Splinter Blankets; Asbestos Millboard.

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October Dividends Hold 1942 Levels

But Total For Year to Date Shows Drop of $6.6 Millions — Steamers Pays Initial on Common Shares, Others Pay Extras

Dividends for Oct., 1943, will total $20.2 millions, according to preliminary estimate by The Financial Post, a drop of approximately $679,000 from the total for the same month of 1942. Late declarations may bring the totals nearer equality.

Payment of an initial dividend of 50 cents on the common stock of Canada Steamship Lines helps to boost the October total, aided by extra payments on the part of Bralorne, Dominion Oilcloth, Goodyear Tire, Guaranty of North America and Hart Battery. Maple Leaf Gardens returned its payment to 70 cents, from the previous 40 cents.

Final 17½ cents on preferred arrears is to be paid by Easy Washing, eliminating the accumulation, while Standard Fuel preferred arrears are being reduced a further $1. Canadian Canners is paying participating dividends on its first and second preferred.

Resumption of payments by Petrol Oil & Gas, International Metals A, and Ymir Yankee Girl are all slated for October. The month's reductions include Photo Engravers, down to 25 cents, from the previous 50 cents, Sheep Creek down to 3 cents from 4 cents, and Silbak Premier which is also paying 3 cents against a previous 4 cents.

Monthly Dividends

	1943	1942
January	$20,222,823	$22,952,057
February	9,688,637	10,016,154
March	26,372,190	27,730,638
April	20,362,954	21,221,615
May	7,998,821	6,357,276
June	50,910,505	48,456,376
July	25,176,055	27,581,376
August	9,954,394	10,531,957
September	24,324,226	26,079,809
October	20,178,528	20,857,808
Total	215,189,133	221,785,066

Industrials and Utilities

Company	Rate $	Date	Amount $
Agnew Surp., pfd.	1.75q	1	15,333
Amer. Cyan. A, B	†.15q	..	395,854
Do., pref.	†.12½q	..	161,672
Assoc. Brew., pfd.	1.75q	1	9,867
Beatty Bros., A	.25q	15	9,750
Beaver Lumber, pfd.	1.75q	1	26,250
Belding Corticelli	1q	1	7,495
Do., pref.	1.75q	1	15,142
Bell Telephone	2q	15	1,690,724
Biltmore Hats	.15q	15	12,000
Brantford Cord., pfd.	.32½q	15	11,589
Brazilian Tr. pfd.	1.50q	1	5,901
B. C. Elec. Pr. & G. p.	1.50q	1	75,000
B.C. Power "A"	.50q	15	500,000
B. C. Telephone 1st pf.	1.50q	1	15,000
Building Products	.15q	1	72,507
Burlington Steel	.15q	1	21,000
Canada Bread, pfd.	1.50q	1	18,750
Do. "B" pref.	.62½q	1	15,625
Can. Nor. Power	.15q	25	60,000
Do., pref.	1.75q	15	96,250
Canada Packers	1q	1	200,000
Canada Steamships, c.	§.50	1	150,000
Can. Breweries, pfd.	.85q	1	145,019
Candn. Canners	.12½q	1	17,223
Do., 1st pref.	.25q	1	47,718
Do., participating	.05	1	9,543
Do., 2nd pref.	.15	1	53,236
Do., participating	.05	1	17,745
Canadian Car, pref.	.52	11	145,600
Can. Converters	.50q	30	8,667
Can. Cottons	1q	1	27,155
Do., pref.	1.50q	1	50,109
Can. Fairbanks., pfd.	1.50q	15	16,893
Can. Food Products	.50q	1	12,230
Can. Gen. Electric	2q	1	377,690
Can. Industries A-B	1.25	30	875,176
Do., pref.	1.75	30	81,375
Can. West'house	.50q	1	273,000
Can. Wire Box A	.37½q	1	19,093
Carnation 1st pfd.	†1q	1	50,000
Cel'nese of Am. 5% p.	†1.25q	1	47,137
Do., prior pref.	†1.75q	1	288,431
Do., 2nd pref.	†1.75q	1	259,312
Comm. Alcohols	.05	15	10,025
Do., pref.	.10q	15	5,000
Cons. Bakeries	.20q	1	63,688
Consumers' Gas	2q	1	291,104
Dairy Corp., pfd.	1.25	1	8,232
Dom. Foundries	.35q	1	127,754
Dominion Glass	1.25q	15	53,125
Do., pref.	1.75q	15	45,500
Dom. Oilcloth	.30q	29	210,000
Do., extra	.10	29	70,000
Dominion Textile	1.25q	1	337,500
Do., pref.	1.75q	15	33,960
Easy Washing, pref.	.17½q	1	1,125
Do., arrears	‡.17½	1	1,125
Famous Players	.25q	1	107,631
Fanny Farmer	†.37½	1	133,057
Foundation Co.	.35q	22	29,610
Freiman, A. J., pf.	1.50q	1	13,156
Gatineau Power, pfd.	1.25q	1	152,450
Do., 5½% pref.	1.37q	1	47,950
Goodyear Tire	.62q	1	159,501
Do., extra	1	1	257,260
Do., pref.	.62½q	1	72,348
Gordon & Belyea, pfd.	1.50q	1	1,821
Goulds Pumps, pref.	†1.75	2	13,080
Gt. Lakes Pap. A, B pf.	.25	1	50,000
Gt. Lakes Power, pfd.	1.75q	15	13,125
Gt. West Sadd., pfd.	.75q	5	5,244
Do., 2nd pref.	.75q	5	868
Greening Wire	.15q	1	28,500
Ham. Cotton, pf.	.50q	1	8,817
Hart Battery	.10	29	5,000
Do., extra	.15	29	7,500
Hinde & Dauch	.25q	1	74,983
Humberstone Shoe	.75	7	15,000
Intern. Bronze	.20q	15	20,000
Do., pref.	.37½q	15	37,500
Intern. Metal A, c.	.25	1	47,078
Intern. Milling, pf.	†1.25q	15	66,273
Intern. Power, pf.	1.75q	1	140,000
Jam. Pub. Service	.17q	1	22,950
Do., pref.	1.75q	1	13,125
Lang, John A.	.17½q	1	17,500
Maple L. Gardens, p.	.70a	15	55,453
Maritime Tele.	.17½q	15	70,498
Do., pref.	.17½q	15	26,250
Mod. Containers	.30q	1	7,500
Do., pref.	1.37½q	1	4,125
Mtl. L. H. & Pwr.	.37q	30	1,660,942
Montreal Telegraph	°.48q	15	24,000
Moore Corp.	.55½q	1	235,589
Do., pref. A, B	†1.75q	1	52,357
Murphy Paint	.20q	1	13,760
Do., pref.	1.37½q	1	4,812
Nan.-Dunc. Util., c.	.25s	1	18,750
National Breweries	.50q	1	360,686
Do., pref.	.44q	1	48,840
National Grocers, pfd.	.37½q	1	53,949
Nat. Steel Car	1q	15	175,500
Niagara W. Weav.	.25q	1	28,750
Nor. Ont. Power	.12q	25	28,803
Do., pref.	1.50q	25	37,474
N. S. Light & Pr. ord.	1.50q	1	51,784
Ogilvie Flour, c.	.25q	1	150,000
Ottawa Elec. Rly.	.50q	1	17,598
Ottawa L. H. & Pr.	.15q	1	21,000
Do., pref.	1.25q	1	21,250
Page Hersey	1.25q	1	217,845
Photo Engravers	.25	1	7,500
Porto Rico Pwr., pfd.	1.75q	1	17,500
Power Corp., pfd.	1.50q	15	75,000
Do., 2nd pref.	.75q	15	75,000
Pressed Metals	†.25	1	67,142
Price Bros., pfd.	1.37½q	1	86,409
Prov. Paper, pfd.	1.75q	1	61,250
Regent Knit, c.	.25	15	16,252
R. Silk Mills A	.50q	1	15,000
St. Law. Corp. A pf.	.25q	15	72,044
St. Law. Paper, pfd.	.75q	15	101,670
Sher.-Williams, pfd.	1.75q	1	60,550
Silverwood D.	.20s	1	37,569
Do., pref.	.20s	1	24,000
Smith H. Paper, pfd.	1.50q	20	107,555
South Can. Power, p.	1.50q	15	106,333
Standard Fuel, pfd.	1q	1	11,560
Do., arrears	1	1	11,560
Standard Radio A, B	.10q	10	21,500
Standard Paving, pfd.	.31¼	1	15,625
Stedman Bros.	.15q	1	13,500
Do., pref.	.75q	1	4,500
Tamblyn, G.	.20q	1	22,400
Do., pref.	.62½q	1	3,750
Tip Top Tailors	.07½	1	9,000
Do., pref.	1.75q	1	17,216
Tuckett Tob., pf.	1.75q	15	35,000
United Fuel, pf. A	.75q	1	67,500
Viau, pref.	1.25q	1	11,825
Wabasso Cotton	1q	1	69,903
West Koot. Pwr., p.	1.75q	1	8,750
Western Grocers	.75q	15	12,706
Do., pref.	1.75q	15	20,899
Weston, Geo., c.	.20q	1	80,884
Wilsil	.25q	1	33,925
Total			14,017,818
Mining Companies			
Bralorne Mines	.20q	15	249,400
Do., extra	.10	15	124,700
Cochenour Willans	.03	20	88,844
Dome Mines	.40q	30	800,000
Hollinger Cons.	.05	7	246,000
Kerr Addison°	.05	28	236,515
Lamaque Gold	.10	1	300,000
Do., pref.	.10	1	300,000
Premier Gold	.01½q	15	75,000
Preston E. Dome	.05q	15	150,000
Sheep Creek Gold	.03	15	56,250
Silbak Premier	.02	25	50,000
South Amer. Gold	†.10	4	176,000
Sylvanite Gold	.03q	15	98,985
Teck Hughes	.10	1	480,714
Wright-Hargreaves	.07½	1	412,500
Ymir Yankee	.01 6/10	6	35,600
Total			3,880,508
Oil Companies			
Brit. Amer. Oil	.25q	1	693,160
Calgary & Edmonton	.05	15	120,755
Canadian Oil, pfd.	2q	1	40,000
McColl-Fron., pfd.	1.50q	15	114,186
North Star Oil, pfd.	.08¾q	1	17,500
Petrol Oil & Gas	.02	1	4,400
Total			990,001
Financial			
Bank of N. Scotia	2.50q	1	300,000
Brit. Amer. Assur.	1.50s	1	45,000
Brockville Trust	.62½q	1	6,250
Canada Life	5q	1	50,000
Can. Perm. Mtge.	2q	1	140,000
Can. For. Invest., pf.	2q	1	3,740
Can. Gen. Invest.	.15q	15	90,088
Central Can. Loan	2q	1	50,000
Chartered Trust	1q	1	10,000
East Can. Savings	1.50q	1	11,250
Eastern Trust	2q	1	20,000
Economic Invest.	.62½s	1	24,953
Gt. West Life	3.75q	1	37,500
Guar. N. Amer.	1.50+2.50	15	24,368
Guaranty Trust	1.25q	15	3,750
Huron & Erie Mtge.	1%q	1	50,000
Invest. Found., pfd.	.75q	15	20,785
Landed Banking	1q	1	10,000
Mtl. C. & D. Bank	3q	1	60,000
National Trust	2q	1	60,000
Ont. Loan & Deb.	1.25q	1	50,000
Sun Life Assur.	3.25q	1	65,000
Tor. Gen. Trusts	1q	1	30,000
Toronto Mortgage	1.25q	1	24,662
Traders Finance, pf.	1.50q	1	36,855
Western Assurance, c.	1.20s	1	66,000
Total			1,290,201
Grand Total			20,178,528

q Quarterly. s Semi-annually. a Annually.
† Initial. ‡ Eliminates arrears. †N.Y. funds. ° Net after corporate income tax. § Initial.

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The Shareholder

Relative inaction of Canadian stock markets in the past week is being interpreted in some circles as indicating a period of consolidation similar to that which has stalled the New York advance since mid-July.

That such a settling-out period is bound to take place sooner or later is obvious and it has been widely expected in the Canadian market for some time. According to one viewpoint, the rise of 50% in Canadian stock values has served to correct the undue pessimism of a year and a half ago. The next rise, which may not come until there has been a reaction of moderate proportions, would logically not appear until more definite knowledge of the postwar intentions of the United Nations governments is available.

* * *

How important this unexplored territory of postwar planning is can be gauged by a brief glance at the unanswered questions in the housing field.

Is postwar housing to be on substantially the same footing as before the war, or is it to move to a mass-production basis involving a considerable degree of prefabrication? If the former, investors can look for a fairly substantial boom in the industry, but one that will terminate within a fairly short period, as soon as the backlog is caught up. But if we go in for mass-produced housing, complete with all that modern air-conditioning and other improvements can offer, the housing industry might be headed for a boom that will compare to that of the automobile industry 15 years ago.

* * *

Any drastic change in the basis of providing housing would involve equally important changes in the laws governing housing and home ownership. Mass production of new homes implies mass clearance of older areas to make room for the new, which would involve some method of compensating the owners of homes that have to be removed.

Also, mass production of housing would imply standardization of building laws in differing municipalities, would involve more or less standardized principles of town planning and other fields in which the municipality is now the governing body. Our present system of taxation would have to be revised, and a new system of financing home-building might have to be developed. Almost any scheme developed would have to cut across the jurisdictions of Dominion, provincial and municipal authorities, and might require a revision of the constitution. There are enough unknowns in the housing field alone to account for some hesitation in the market, particularly when it is realized that a major development in this field could affect the greater part of Canadian industry.

* * *

Increased dividends are suggested as possible for Consolidated Smelters in a survey of the company's position put out by Bongard & Co. It is pointed out that earnings have not only been running about $1 per share better than the current $2.50 a share dividend rate, but that present operating conditions suggest that earnings can be maintained around a level of $3.50 a share or better "for duration."

A strong reason for thinking that dividends may be increased is the great improvement in working capital position, it is stated. Combined working capital of Consolidated Smelters, and its subsidiary West Kootenay Power, showed an increase from $11.3 millions at the end of 1939 to $34.4 millions at the end of 1942, it is pointed out.

B. C. Shipyards Face Slowdown

Cancelled Ship Contracts to Release Men Needed in Copper Mines

From Our Own Correspondent

VANCOUVER. — Curtailment of Canada's cargo shipbuilding program, ostensibly as a result of overall improvement in the United Nations' ocean tonnage situation, will affect the shipyard industry in British Columbia more than in any other province.

Contracts for a total of about 50 ships of 10,000 tons, to have been built in west coast yards at a cost of about $90 millions, have been cancelled, and there is small prospect of their being reinstated unless the shipping situation should take a sudden and unexpected turn for the worse.

Canadian shipyards have so far launched about 200 of a total of more than 300 on order, and B. C. has contributed about two thirds to total production. On a per capita basis, B. C.'s shipbuilding achievement has been even better than that of the U. S.

To Shift 5,000 Men?

As a result of this new policy, shipyard workers have reverted to the 5½-day week in most plants instead of the seven-day continuous schedule, time for completing ships from keel-laying to launching has been lengthened, and probably by the end of the year some 5,000 men will be transferred to other industry. Obviously, many engineering plants building components for the cargo ships under order to Wartime Merchant Shipping will be affected.

The slowdown will have its repercussions in many branches of industrial activity, but some will be distinctly favorable.

Copper Mines Need Men

It should soon be possible, for instance, for the copper mines to get some of the 2-3,000 men they have been short of for many months, and the logging industry should also be able to absorb 3-4,000.

Developments of the past week, however, have emphasized the importance of postwar industrial planning not only in B. C. but throughout Canada, for indications are that during the coming months many thousands of men will have to be shifted from employment in such essentially wartime industries as shipbuilding to other occupations.

In B. C. efforts are being made to promote steel and plastic industries to pick up the slack in unemployment, should such materialize on a large scale.

Market Opinions

Journal of Commerce, N.Y.—Investors who base their decisions on the longer-term prospects for the stock market, rather than wartime influences, or the disturbed reconversion period that will follow immediately after the close of hostilities, will have to give more and more attention to the record accumulation of liquid buying power by consumers. Past records for production of consumer goods in a single year, like those established in 1928, 1929, 1936 or 1940, should be far surpassed once manufacturers are free to turn out goods again to satisfy the huge purchasing power that must be met.

* * * *

Barron's (The Trader)—Controls and enormous productive capacity may limit the potentialities of inflation but they cannot obscure the fact that major corporate enterprises are selling in the open market for less than present replacement values. That is the basic reason why stocks are still in greater esteem than cash. The market is more than holding its own and needs only railroad-share leadership to become more assertive.

* * * *

Barron's (Dow Theorist)—While the recession of last week in the Dow-Jones industrial and railroad averages constituted a disappointing sequel to the favorable indication of the week before, it did not change Dow Theory interpretation that the primary trend is upwards and that the secondary trend is downwards, although the end of the latter may have been seen already.

* * * *

Magazine of Wall Street—We are not generally bullish on the intermediate market prospects; would advise using rallies to weed out less desirable holdings; and would adjust portfolios in a conservative direction both as regards proportion of cash and quality of securities.

* * * *

Business Week—The difference of opinion with respect to the future action of the market, so long apparent on the street, still continues. The London stock market, which unlike the big board, greeted Mussolini's downfall by moving higher, is currently also suffering as a result of more sober consideration of possible future events. British war stocks, which for so many weeks have been the subject of much liquidation, are now coming into favor again as previous hopes of a quick end to hostilities commence to fade.

Pressed Metals Earnings Rise

Shows $296,000 in First Half Before Taxes — Entirely on War Work

Earnings of Pressed Metals of America, Inc. in the first six months of 1943 were at the best level in some years, The Financial Post is informed, earnings before taxes are reported at $296,000 for the half year, compared with less than $52,000 for all of 1942.

Final amount of U. S. income taxes on current earnings has yet to be ascertained, with the result that net profits for the period will probably not be announced until the year-end report is made.

Now entirely engaged in war production, it is expected that capacity operations will be maintained for some time to come, after which there will probably be a period of uncertain earnings while the plant is converted back to production for the automobile industry.

N. A. Elevators

Net profit of North-American Elevators was lower for the year ended April 30, 1943, due to smaller volume of business. Working capital of the company, however, more than doubled during this period.

Approval of the shareholders was obtained at the annual meeting for purchase of first preferred shares in the market for redemption, but company officials state that no quantity purchases are contemplated at present.

Income, Surplus—Years Ended Apr. 30

	1943	1942
Revenue	$346,276	$379,632
Less: Elev. oper.	162,924	166,810
Other oper. exp.	55,478	63,050
Oper. profit	127,874	149,772
Less: Bond int.	26,736	27,889
Depreciation	64,832	64,481
Inc. & E. P. tax	16,000	23,000
Add: Bond int.	2,036	367
Net profit	22,342	34,769
Less: Dividends	22,099	22,099
Surplus for year	243	12,670
Add: Prev. balance*	52,544	48,734
Profit on inv. sale	75	......
Less: Inc. tax adj.	5,602	8,500
Prem. on bond red.	210	360
Balance forward*	47,050	52,544
*First preference shareholders appropriation account.		
Earned per share:		
1st pref.	$7.08	$11.01
Paid	7.00	7.00
2nd pref.	0.08	4.22
Working capital	$86,678	$41,183

We are pleased to announce that
Mr. H. G. Davidson
has been admitted to partnership, as of October 1st, 1942.
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RED DEER BRAND
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HUNTSVILLE - ONTARIO

C P R Earnings Sets New Mark

From Our Own Correspondent

MONTREAL. — Highest for any like month since 1928, Canadian Pacific Railway reports net operating income of $3.8 millions in August. At the same time cumulative net returns for the first eight months of 1943 were the highest for any similar period in the history of the company.

Gross operating revenues last month at $26.8 millions, were $4.8 millions over the same month last year. Expenses increased to nearly $4.2 millions.

For the eight months ended last August, gross totalled $189.7 millions. This was $24.7 millions above the figure for the like period of 1942. Higher expenses absorbed all but $540,532, leaving net operating income of nearly $29 millions, as against $28.4 millions a year ago.

	1943	1942
August		
Gross income	$26,855,759	$22,053,767
Less: Oper. exps.	23,011,872	18,833,737
Net income	3,843,887	3,220,030
Eight Months Ended August		
Gross income	$189,729,872	$165,012,867
Less: Oper. exps.	160,752,776	136,576,303
Net income	28,977,096	28,436,564

Harding Carpets Sets Share Offer

Shareholders of Guelph Carpet & Worsted Spinning Mills are being offered $20.50 a share for their stock by Harding Carpets which since 1941 has owned a controlling interest in the company.

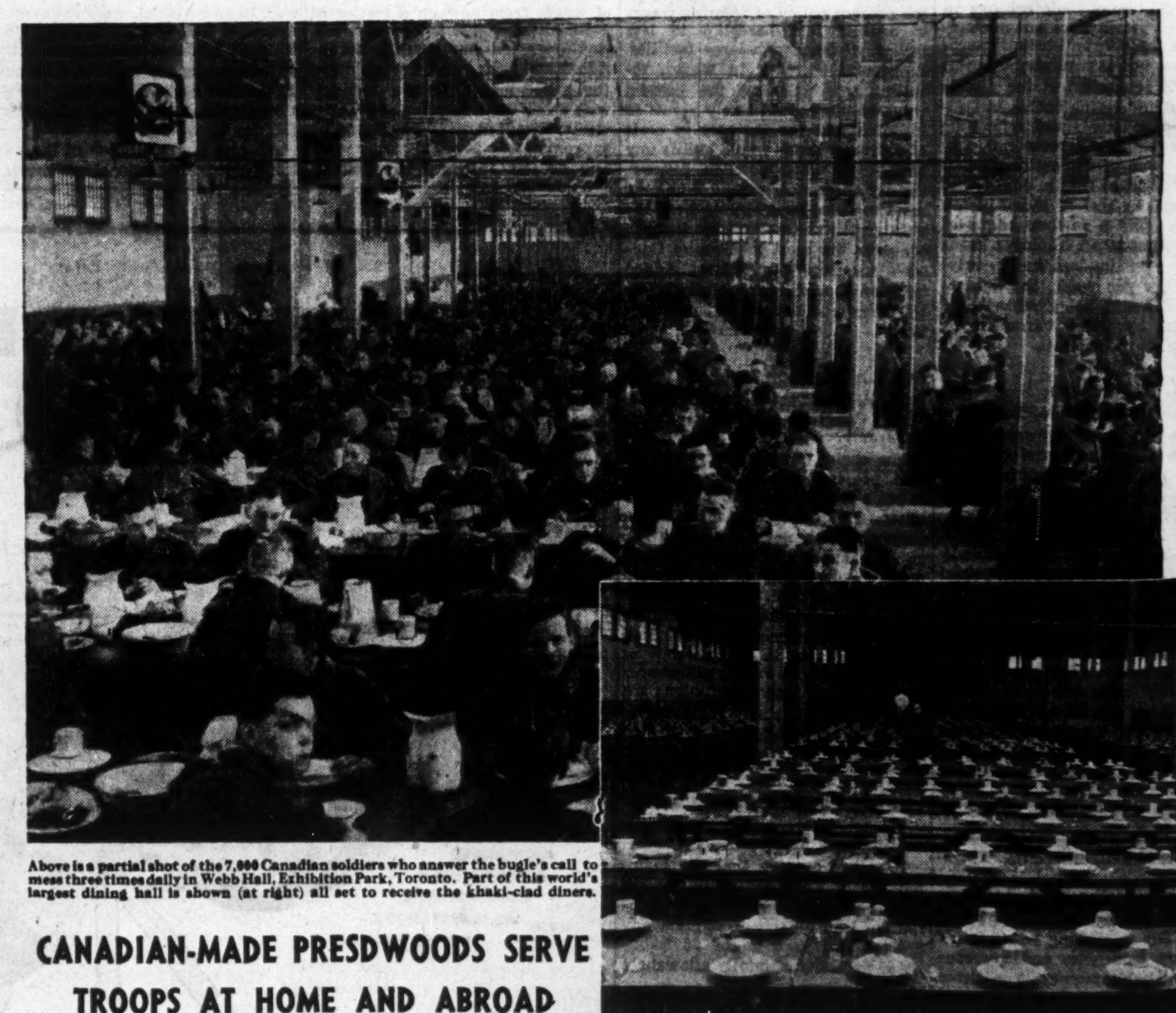
It is reported that several persons holding large blocks of shares are accepting the offer and the company president, H. Quarmby, has stated that the directors have carefully considered it and are individually accepting. The offer is open to acceptance until Oct. 20, but Harding Carpet may from time to time extend this date.

The common stock is the only outstanding capital liability of Guelph Carpet, the 6½% preferred having been redeemed in Jan., 1941, and replaced with an issue of $500,000 4% 20-year serial debentures, of which $483,000 were outstanding Sept. 30, 1942.

THE MASTER HAT OF CANADA

Biltmore Roller
BILTMORE Roller
Six Fifty
A LUXURIOUS LIGHT WEIGHT HAT

MASONITE IS CHOICE FOR TABLES IN WORLD'S LARGEST DINING HALL



Above is a partial shot of the 7,000 Canadian soldiers who answer the bugle's call to mess three times daily in Webb Hall, Exhibition Park, Toronto. Part of this world's largest dining hall is shown (at right) all set to receive the khaki-clad diners.

CANADIAN-MADE PRESDWOODS SERVE TROOPS AT HOME AND ABROAD

Masonite is doing a tremendous job in aiding rehabilitation in Britain, but not all its Canadian production is being diverted for service abroad. Right here in Canada there are vital needs which this versatile product must fill.

Troops must be fed and housed, trains converted into hospitals-on-wheels. A hundred and one other essential demands must be met. They are being met—*and served*—by Masonite. Webb Hall in Exhibition Park, Toronto, is but one instance. Here, in the world's largest dining hall—7,000 of our Canadian troops can be fed at one sitting.

Table tops of Masonite were *specified* for the nearly 900 tables, for this was a job requiring speedy construction . . . a sanitary material, quickly and easily cleaned . . . strong and durable.

Masonite passed all these tests with flying colours. It delivered the goods just as it has in meeting over 500 wartime requirements in bombed Britain . . . playing its part in the rebuilding of a country where one house in every five has been damaged or destroyed . . . providing temporary buildings . . . recreating hospitals and schools from blitzed wreckage . . . serving the vast need for chairs, tables, beds . . . aiding in the construction of air-raid shelters, mobile units, hospital trains.

Meeting every demand to tax its claim as the world's most versatile building material, surely Masonite today has more than earned its title, "The Wood of a Thousand Uses."

* * *

Masonite has "signed for service" with Canada, Britain . . . with all United Nations. Thus it is serving you by serving your greatest cause. In the circumstances it cannot serve you individually . . . yet. But the day is drawing nearer when Masonite will be available for the improvement of every Canadian home and building.

THE WOOD OF A THOUSAND USES
MASONITE
THE MASONITE COMPANY OF CANADA, LTD.
GATINEAU, QUE.

"Now, if we were only staying at THE ROOSEVELT"

When you stop at The Roosevelt you don't risk getting marooned like this. For you'll be within walking range of Manhattan's Midtown activities. Direct passageway from Grand Central Terminal to hotel lobby. A reservation at The Roosevelt liquidates a lot of bother. *Rooms with bath from $4.50.*

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Paymaster Consolidated Mines held its annual meeting recently at which directors were re-elected and routine business transacted. At a later meeting a dividend of 1c. a share was declared payable Jan. 10, 1944, to shareholders of record Dec. 10, 1943.

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BRANCHES FROM COAST TO COAST

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Levy Bros.
Are a Sound Investment

At a time when economy counts, it pays to order clothes that, because of their fine fabrics and workmanship, will continue to look well and feel well long after other clothes are discarded.

Choose now from our collection of distinctive British materials.

LEVY BROS.
69 WEST KING STREET, TORONTO

Building Materials

Adobe Arouses New Interest

Oldest May Be Newest for Canadian Housing

An American of 13 years' residence in Toronto, Harry C. Flinn, of Canadian Bitumuls Co., soon will offer Canadian home-seekers and builders the oldest structural material in the world in a new guise, adobe.

Manufacturing mainly asphalt emulsion for roads and streets the company, an affiliate of American Bitumuls Co. (California Standard Oil subsidiary) has begun at its Leaside (Toronto) plant the production of patented "Bitudobe" blocks on a limited scale for demonstration purposes.

Soon, according to Mr. Flinn, his blocks of earth, clay, sand, water and bituminous "binder" will enter the masonry materials market and be available in some quantity in Ontario and Quebec for the spring 1944 building season.

Bitumuls, he says, is preparing to enter into a dozen license agreements in each of those territories for manufacture of the product; the company's formula and specifications would be adhered to strictly by the licensees and adobe blocks be of standard quality wherever sold. In some cases the company will rent mixing and priming equipment to the licensees, according to present plans.

Said Okay With NHA

Vice-president and general manager of the Canadian company, Mr. Flinn, tells The Financial Post that the material has been studied by the National Housing Administration for approval for use where desired in new houses financed under the terms of the National Housing Act. Results of 1936 tests by National Research Council, re-examined recently by NHA Director Frank W. Nicolls and chief technician J. J. Hyland at Ottawa, indicated adobe blocks were suitable for use in Canada, Mr. Flinn states. He expresses confidence formal official approval is "on the way" and Mr. Hyland at Ottawa intimated as much to The Post this week.

British-American Oil Co. also is studying the material, The Post is reliably informed.

At present, B-A Oil, having completed construction at Clarkson (near Toronto) of a multi-million-dollar refinery, is building houses there under an arrangement with a Toronto building firm, Reilly Heal Ltd.; fifty have been built of brick.

Refinery Division Manager L. E. Woolley, in charge of the project for B-A Oil, tells The Post the number of additional houses to be erected has not been decided nor, he says, has the type of material to be used been determined. He did say, however, in response to a question, that adobe-type construction was being carefully investigated by company management and designing staff.

Little Known Here

As yet the Canadian building industry has learned little about the new block's characteristics as a unit and as a masonry structure, nor have price comparisons with structural clay tile, concrete blocks, brick, etc., been made known.

On the basis of California data and study of a test building erected by the Canadian firm at its Leaside plant in 1937, Mr. Flinn says a twelve-inch adobe block wall gives insulation equivalent to about six inches of asbestos. Presumably, if the material keeps California heat out, it will keep fuel-heat in. There is no trouble with intense moisture condensation, it is claimed.

His estimate of $4,000 for an attractive four-room house, perfectly insulated and oil heated at a cost of $50 a year is greeted variously by builders and architects spoken to by The Post. Some of them suggested an adobe block house of that size might be expected to cost less considering that its basic walls have integral interior and exterior treatment and insulation, but a prominent architect tells The Post the material has a good prospect of winning a place in the Canadian building economy somewhere between minimum-cost wood houses and the usual masonry structure.

Whatever the opinions at this early stage, soil bricks for building, treated with emulsified asphalt stabilizer, are arousing distinct interest in the industry.

How They're Made

Given suitable earth supplies at the site, adobe blocks can be made right on the building lot, it is stated. Ordinarily, in California, both on-site and central yard production is utilized.

Mixing can be done by hand in a rude trough, by a hand-powered machine or by truck-mounted equipment. Forming usually is by hand in simple wooden forms laid on paper on the ground. The blocks lie on the flat for a week and then are stood on edge for another three weeks for final drying.

The ones being made now at Leaside are 4 inches by 12 inches by 18 inches but adobe blocks can be fashioned in a wide range of shapes and sizes to suit individual requirement, it is stated.

On Toronto's flanks, it may surprise some to learn, there may be found still a few old-style adobe houses, i.e., monolithic or continuous-poured mud, sun-dried and faced for weather-protection with cement-concrete or wood sheathing. Built a hundred or more years ago, these contrast with the new adobe houses in that walls are now laid up in blocks bonded by mortar and are said to require no exterior protection or interior finish beyond the painting that might be desired for decorative effect.

JOINS FIRM

H. G. Davidson, who has joined the Toronto Stock Exchange firm of Goodwin Harris & Co.

Rail Workers Push Claims

Granting of Minimum Demands Would Boost Wage Bill $75 Millions

From Our Own Correspondent

MONTREAL.—Granting of the minimum demands of some 140,000 Canadian railway workers would involve an increase of at least $75 millions in the wage bill of Canadian railways.

In a formal application to the National War Labor Board by the Standard Railway Organization, railway workers are seeking to have wage rates for railway men employed in the "running trades" lifted to a parity with rates paid in the eastern United States and basic rates for other employees increased 23c. an hour.

The union's action in making a formal application followed notice served on 14 railway companies last July 31. At that time the unions expressed a desire to deal with the matter collectively on a national basis with a committee representing the railways and a committee representing the labor organization.

May Apply to All

Both the Canadian Pacific and Canadian National Railways hesitate to hazard a guess as to what the wage increase would mean in additional operating costs for the reason that they do not know to what extent any change in basic wages would apply to unions in the group making the present application. The boost to 23c. an hour in the basic rate for employees would add $75 millions to the railway wage bill. This figure would be very low if the running trades got what they want. On top of that consideration would have to be given to other unions so that, in effect, the application involves well over $100 millions.

The unions in their notice on the railways said that "almost all of the large Canadian industries have granted their employees one and in some cases two increases in wages during the present war, but railway employees have not been given increases since 1927."

East. Dairies Claim Upheld

Court Rules That 75% of Stock Voted is Sufficient to Pass Plan

From Our Own Correspondent

MONTREAL.—Provisions of section 122 of the Dominion Companies Act overrides the provision in Letters Patent governing judicial approval of a proposed compromise or arrangement between Eastern Dairies Ltd. and shareholders. This decision has been handed down by Chief Justice W. L. Bond.

The company was incorporated by Letters Patent with an authorized capital stock of 50,000 7% preference shares of $100 each and 200,000 common shares of no par value. At a special meeting of shareholders more than 75% in each category voted in favor of the proposed arrangement.

When application was made to the court for sanction of the change, dissenting shareholders opposed the proposal. It was contended that fulfillment of the provisions of Letters Patent was necessary before the court could sanction the compromise and these provisions exacted preliminary adoption of a by-law which would call for approval by 75% of the par amount of preference shares then outstanding.

Point under contention was whether 75% of the outstanding preference shares was to the test or, as the company contended, 75% of the shares represented and actually voted.

Belleterre Quebec Mines Ltd. has deposited plans with the Quebec Government covering construction of a concrete dam and power house with a capacity of 2,400 h.p. on the Winneway River, Devlin twp., Temiscamingue county.

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The Bondholder

Fifth Victory Loan terms, announced last week, did not prove much of a surprise to the investment fraternity, and appear to fit in well with long-term portfolios. Dominion maturities now cover the 1950's fairly evenly, which should cause that decade to be one of active reinvestment.

The extra two months' term on the Fifth Victory long-term issue is common-sense adjustment to bring the coupons due Jan. and July 1, instead of the May and Nov. 1 which is to apply on the Fifth Victory shorts, and already applies on seven major Dominion issues now outstanding. Both the longs and shorts of the third and fourth Victory Loans pay off May and November, so do the three 4½% conversion issues of 1956, '57 and '58.

If the job of handling the coupons on the Fifth Victory Loan were superimposed on that of dealing with the already heavy flood of coupons from these seven issues, it was felt that neither the government nor the financial community would be able to find the men to handle the tremendous amount of detail involved. Moreover, it is no longer possible to acquire automatic machinery to handle such peak loads, with the result that another set of May and November coupons would have driven Canada's bookkeepers to distraction. Needless to say, they are leading the cheering for the Fifth Victory Loan.

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Public response to the Loan will help to settle a long-standing argument: Does the prospect of Victory lead to a let-up in the war effort?

There is a fair weight of evidence that it does, and that bad news from the battlefronts tends to stiffen the home front. Production slumps in the United States earlier this year were generally attributed to over-optimism. On the other hand, U. S. production picked up again later on when the grounds for optimism were considerably better and there has been no let-up since, despite fairly plentiful predictions that Germany will be out by the year-end.

If there are any home-fronters who feel that the nearness of victory is a signal for a let-up, we would recommend a check-up on the figures for the last war, when the 1919 Victory Loan was $18 millions bigger than the 1918 loan. If this fails to convince, we suggest a study of postwar rehabilitation and reconstruction plans. They will prove pretty conclusively that the job is only half done when Hitler and Hirohito surrender.

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Higher interest rates are again becoming a topic for discussion, with British investors predicting a rise, and U. S. bankers commenting on an improvement in short term cemmercial rates. For the long term, it is suggested that postwar demands for reconstruction will result in a stiffening of rates generally.

Such a trend would reverse the direction of interest rates shown by results of the last ten years or so, a trend which has been pronounced among creditor countries and particularly so where a strong central bank has been in operation. Low interest rates have been government policy and government supported, and the tone of the international currency plans thus far presented has been toward extending the low-interest zone to other countries, rather than to narrow it. It is, of course, possible that economic conditions may cause a reversal of the governmental attitude, but there is no indication as yet that this has been the case.

Ram River Starts No. 3 Well As No. 2 Shows Good Crude

With indications of a crude oil pool of lubricating grade oil already secured in its No. 2 well, Ram River Oils is now readying equipment for drilling of its No. 3 well on the Ram River anticline, The Financial Post is informed.

In view of the crude oil returns from the No. 2 well which are reported to have averaged 40.1 degrees API (worth about $1.64 a barrel in Turner Valley), the new well represents a significant new test for western Canada. The well will be of much larger diameter, it is stated, and will be put down to tap the same porous horizon from which oil has been secured at the No. 2 well.

At the No. 2 well, while the existence of a high pressure zone has been demonstrated, the size of the original diamond drilled hole makes further exploratory work more difficult and it has been decided to concentrate efforts on drilling the No. 3 well. In spite of the fact that the No. 2 well casing has only a 1.96-inch diameter, it blew in returning oil and gas. Last week, the No. 2 well is stated to have blown wild for two hours when the building up of gas pressure exploded the gas gauge.

Analysis of the oil secured from the No. 2 well is declared to have given the following results: gas, 37%; kerosene, 23%; oil, 35%, with 5% residue. Two tests for sulphur showed 0.172 and 0.35%.

Following the securing of oil showings at the No. 2 well, the company increased its acreage holdings on the Ram River structure and now holds well in excess of the original 8,000 acres.

Location of the development, about 70 miles west of Red Deer, Alta., tended to retard operations in the early stages of Ram River work but it is anticipated that much better time can be made in the future. A road 11 miles long is now being put through from the government highway to the property and this will improve access. As soon as the No. 3 well is finished, plans call for drilling of a No. 4 well, it is understood.

Coming From Devonian

Production is believed to have come from the lower Devonian formation on Ram River, a formation which has yielded large quantities of oil in other areas of this continent. Drilling depths are much less than in Turner Valley and well-drilling costs are substantially lower.

Imperial Oil and Anglo-Canadian are other operators reported holding extensive acreage in the area.

See C P Air Lines Future Expansion

Canadian Pacific Railway will "undoubtedly extend its present air operations and continue to occupy its natural place in the development of world trade and travel routes to meet the demands of the coming air age," according to L. B. Unwin, president of Canadian Pacific Air Lines.

"Canadian Pacific Air Lines has made tremendous strides since its inception less than two years ago," stated Mr. Unwin. "Most of our operations are now closely allied with Canada's war effort, but we expect to play an equally important part in reshaping Canada's civilian transportation structure in postwar years."

Revise C S L Ship Contracts

Renegotiation Cuts Down 1942 Earnings on Stock by $1.13 a Share

From Our Own Correspondent

MONTREAL.—Renegotiation of Canada Steamship Lines shipbuilding contracts has resulted in reduction of $1.8 millions in net profits for 1942 before income and excess profits taxes and by $341,000 after tax provision.

Readjustment of the figures shows a reduction in earnings on the common stock from $3.25 to $2.12 a share. The refundable portion of the excess profits tax for 1942 now amounts to 60 cents a share, as against the figure of $1.18 a share reported in the annual report.

Earned surplus as at the end of 1942 now stands at $2,751,289, as against $3,092,294 shown on the published report. The refundable portion of the excess profits tax carried on the balance sheet has been reduced from $356,000 to $155,000.

Activity at the company's shipbuilding yards, according to W. H. Coverdale, continues at a high level. While operating costs of the fleet have increased considerably, it is expected that profits for 1943 will approximate those for 1942 as adjusted.

Due to application of the excess profits tax for the full year, Mr. Coverdale says that income will be somewhat lower, but dividend requirements will be earned by a comfortable margin.

Paper Workers Discuss Wages

Union Men and Company Officials Confer on Wages and Other Matters

From Our Own Correspondent

MONTREAL.—Representatives of the American Federation of Labor and officials of several large pulp and paper mills in Quebec and the Maritimes are working on a new agreement affecting wages, working conditions and general relations between management and employees. A decision is expected by the end of this week.

Though the conference was held in camera, it is understood the two principal points of discussion were the growing influence of the National Catholic Syndicate and, secondly, an increase in existing wages.

National Steel Car Stock Split Passes

Shareholders of National Steel Car Corp. have approved a by-law increasing the number of shares of capital stock by exchanging four new shares for each present share held. Outstanding capitalization consists of 175,500 shares, which number will be increased to 702,000 under the new arrangement.

At the annual meeting of shareholders, officers and directors were re-elected without change.

Decide Against Gas For Homes

Surveys made of the gas situation in Ontario have been found to indicate that no general re-installation of gas-furnace burners in Ontario homes will be possible as the gas supply available is no greater, if as great, as a year ago.

This is confirmed by a statement of H. J. Symington, Federal Power Controller, which is as follows:

"Recent surveys and investigations definitely indicate that supplies of gas are no greater, if as great, as they were a year ago. The situation makes it such that there can be no relaxation of regulations in any section of Southwest Ontario, including Windsor, Chatham, Sarnia and others."

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●For more than fifty years International Correspondence Schools has been training men for key positions as managers, superintendents, supervisors and foremen. Some of your own employees may be acquiring that kind of specialized training right now.

●An I.C.S. Cooperative Employee Training Plan would make it available to a larger group, under more favourable conditions. Such plans are in operation in more than 2800 industrial establishments in Canada and the United States.

●Industrial executives, personnel managers and plant superintendents are invited to write for an interesting publication, "Trained Men," and details of a Cooperative Training Plan individually tailored to their own requirements. There is no charge or obligation.

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The Editorial Page . .

When Enterprise is Not Free

There is no use talking about the free enterprise system if that means enterprise is to be tangled up in international price agreements, secret deals on prices and markets, limitations of technical improvements.

There is the very negation of freedom and of enterprise and citizens cannot tolerate it. Ralph Gallagher, president of Standard Oil of New Jersey has outlined the following five principles in a memorandum to the Vice-President and to the U. S. Assistant Attorney General. He urges:

That there should be no international agreements to hold prices above sound competitive levels.

That international agreements of a secret nature should be prohibited.

That there should be unrestricted licensing of patents at reasonabe royalties.

That production, except in emergencies, should be increased rather than restricted.

That cartels which limit production, fix prices, divide territory and limit technological developments are against public policy.

Every businessman who understands the real meaning of free enterprise and who wants to see it thrive will commend Mr. Gallagher for this clear cut statement of policy. The principles he enunciates are basic. They are precisely those which The Financial Post has proclaimed for a generation.

Free enterprise can give the people of this continent far more materially and spiritually than any alternative scheme yet concocted. But free enterprise must clean its house, eradicate those forces within itself which would destroy it.

Why Play Down the RCAF?

For some reason, the British Air Ministry seems unwilling to concede our right to play up the individual exploits of Canadian airmen. Such a policy may run contrary to that of the RAF but it should not apply to Canadians serving with that organization. Latest instance of this conflict of opinion is the refusal of the British Air Ministry to permit war correspondents to identify Canadian airmen in the Mediterranean area.

This attitude, which Air Minister Power charges, "has prevailed almost from the outset of the war," is certainly not conducive to real teamwork between British and Canadian airmen, nor is it compatible with the feelings ordinarily existing between British and Canadian people.

Neither the Canadian public nor the Canadian flyer is jealous of the laurels of the RAF. We most willingly concede the most generous tribute to that gallant force.

But now with Canadians making up at least 25% of the Empire's birdmen, we Canadians want to know what our men are doing Far from the actual battle fronts, news of the activities of our airmen is the kind of morale-building tonic that is particularly stimulating. It is especially important for getting out the much-needed recruits for our air training program.

It is to be hoped Air Minister Power will pursue his campaign for full RCAF recognition vigorously. He deserves the fullest possible support, not only in this matter but also in his consistent pressure towards grouping RCAF aircrew in all-Canadian squadrons overseas and more general commissioning of Canadian flyers.

Now is the Time for Decision

The necessity for immediate action to decide British Empire policy on postwar commercial aviation was emphasized by Ontario's Premier George Drew, speaking in Toronto to the annual conference of the Canadian Purchasing Agents' Association. He said:

"We must have a clear basic agreement on the plans for commercial aviation within the Empire itself. It is absolutely essential that the British Empire form a world-girdling organization of its own and there is immediate need for preliminary discussion of postwar aviation among the units of the Commonwealth. We can establish a full partnership with the United States which will be the greatest guarantee of the peace to come, but the time in which the preliminary meeting may be held is running short."

One reason for prompt action, Premier Drew said, was the necessity of deciding policy before the men and women of our great flying organizations are disbanded.

American policy has been pretty well decided. There is to be no government monopoly. Most of the big American airlines are already well advanced on their postwar expansion plans and are competing violently for tactical competitive advantage.

British policy seems yet to be determined. So has Canada's, though here a powerful group of officialdom apparently wants the Canadian Government line to have a monopoly on operations outside Canada.

We don't think that development of global aviation should be left entirely to the Americans.

The scheme of some Canadian officials to prevent Canadian Pacific Airlines from entering the international field is both foolish and fantastic. The totalitarians don't yet run Canada and to rule that a private company cannot risk its own money on international airline development would be intolerable We can't afford not to let Canadian Pacific use its vast experience in travel and transport of all kinds in building a national asset if it wishes to do so.

As one of the British Empire's most comprehensive transport systems, Canadian Pacific abundantly deserves a place in Empire air plans.

"Full, Ripe Totalitarian Odor"

That the CCF brand of socialism is just a 50-year-old brand of Utopian gospel which has nearly everywhere else lost its vigor has been emphasized several times in these columns.

Now an outside observer makes the same comment. The Wall Street Journal, discussing the Coldwell schemes, says:

> "Here we have the old familiar blueprint which any 'socialist' of the old days could repeat backwards in his sleep . . . That it is good old 'orthodox' Socialism is clear enough. It twice refers to 'minority rights' to be guaranteed by 'special statute' but, that notwithstanding, it exhales that full and ripe totalitarian odor so reminiscent of mid-Victorian days when we wrangled over Marx and Engels and the 'Revisionists' and the Fabians, before the word 'fascism' had been invented."

CCF supporters might well ask themselves why the Coldwell kind of Socialism is long since dead in the United States and as Victorian as the bustle in Britain.

The fact that socialism and fascism are both totalitarian, that they must both result in precisely the same kind of society so far as the individual is concerned is very clearly stated by the Journal observer. CCF supporters should face this fact clearly because it is basic and inescapable.

The individual may think Mr. Coldwell a humane and honorable man to whom he can safely hand over direction of his affairs and activities and aspirations. But how about Mr. Coldwell's associates and his successors? Once you entrust everything to the state, you must take what leader comes along.

Mr. Coldwell of course denies that he demands that the Canadian people hand themselves over to him body and soul completely. He is just as sincere and as hopeful in that belief as the opium eater who says he will just take a little opium every day but will never become an addict.

Coldwell socialism, by its very nature, means that it can't be just a little totalitarian. It has to go the whole way. A little regimentation inevitably leads to more, and more leads to more. A little socialization of business inevitably leads to more, and more leads to more.

The Gleaner Carries on

In 1863 the late Robert Sellar, with much ambition, some experience and $50 capital, journeyed down to Huntingdon, Quebec, and founded a newspaper.

This week, under his youngest son, Adam L. Sellar, the Huntingdon Gleaner celebrates its 80th anniversary. In that period the Gleaner has prospered and developed with the community it has faithfully served..

Higher costs and changes in population have forced mergers and caused casualties among the weekly newspapers of Canada. But as the Gleaner and scores of other local weekly publications have demonstrated, there has always remained a firm place for these newspapers which alone chronicle the local news and developments in true perspective; which hold fast to high principles of public and private conduct.

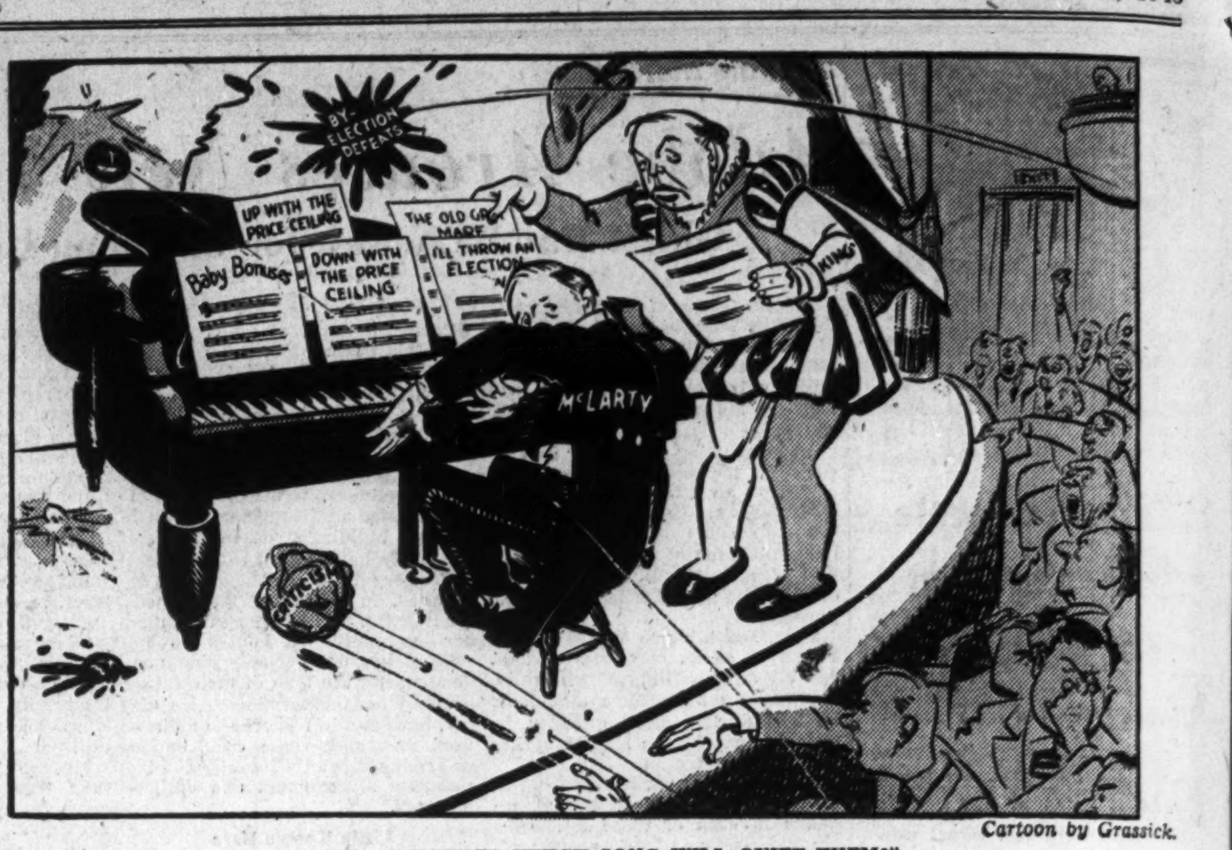
Write Often and Cheerfully

In all wars, the soldier has believed it his special privilege to grouch. But he does not like grouching by others. Nothing sinks his morale more quickly than complaining letters from the folk at home. These are even worse than no letters at all.

To combat this sort of thing the Magazine Publishers Association of Canada has undertaken a nation-wide campaign. The slogan for a series of full page advertisements is

"Write to him today . . . CHEERFULLY."

This campaign enthusiastically endorsed by government and military officials is distinctly worth while. It will be an important factor in maintaining the spirit of our troops in the hard struggle that lies ahead. It is most appropriate that these messages should appear in national magazines which are read in the home by all members of the family.



Cartoon by Grassick.

MR. KING: "I WONDER WHICH SONG WILL QUIET THEM?"

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Must Not Take "the Easy Way" This Time

Excerpts from an address by Walter Lippmann, distinguished U. S. journalist, delivered at Commencement of the University of Utah, Salt Lake City, this summer.

For twenty years before the outbreak of this gigantic war, the free peoples of the western world took the easy way, ourselves more light-heartedly than any others. That is why we were stricken. That is why the defenses of western civilization crumbled.

In 1917-1918 we participated in a war which ended in the victory of the free peoples. It was hard to make a good and magnanimous peace. It was easier to make a bad and unworkable peace. We took the easiest way.

Having sacrificed blood and treasure to win the war, having failed to establish quickly and at the first stroke a good and lasting peace, it was too hard, it was too much trouble to keep on trying. We gave up.

Thus we entered the postwar Twenties, refusing to organize the peace of the world because that was too much trouble, believing—because that was no trouble at all—that peace would last by declaring that it ought to last. So enchanted were we with our own noble but inexpensive sentiments that, though the world was disorganized and in anarchy, we decided to disarm ourselves and the other democracies. That was also the easy way. It saved money. It saved effort.

In this mood we faced the problems of reconstruction from the other war. It was too much trouble to make a workable settlement of reparations and of the war debts. It was easier to let them break down and wreck the finances of the world. We took the easier way. It was too much trouble to work out arrangements for the resumption of trade because it was too much trouble to deal with the vested interests and the lobbyists and the politicians. It was easier to let the trade of the world be strangled by tariffs, quotas, and exchange controls. And we took the easy way. It was easier to finance an inflationary boom by cheap money than it was to re-establish trade based upon the exchange of goods. We indulged ourselves in the inflationary boom and let it run (because it was too much trouble to check it) into a crash that threw about twenty-five millions, here and abroad, out of work, and destroyed the savings of a large part of the people of all countries.

Having got to that, it was too hard to liquidate the inflation. It was easier to cover up the inflation and pretend that it did not exist. So we took the easier way—we maintained the tariffs, we maintained the costs and the overhead expenditures of the boom, and thus made it impossible to recover from the crash.

The failure of the recovery produced at the foundations of western civilization a revolutionary discontent. It was easy to be frightened by the discontent. So we were properly frightened. But it was hard to make the effort and the sacrifice to remedy the discontent.

Then out of this discontent there was bred in the heart of Europe and on the edge of Asia an organized rebellion against the whole heritage of western civilization. It was easy to disapprove, and we disapproved. But it was hard to organize and prepare the resistance; that would have required money and effort and sacrifice and discipline and courage. We watched the rebellion grow. We heard it threaten the things we believe in. We saw it commit, year after year, savage crimes. We disliked it all. But we liked better our easy-going ways, our jobs, our profits, and our pleasures, and so we said: It is bad but it won't last; it is dangerous but it can't cross the ocean; it is evil, but if we arm ourselves, and discipline ourselves, and act with other free peoples to contain it and hold it back, we shall be giving up our ease and our comfort, we shall be taking risks, and that is more trouble than we care to take.

So we are where we are today. We are where we are because whenever we had a choice to make, we have chosen the alternative that required the least effort at the moment. There is organized mechanized evil loose in the world. But what has made possible its victories is the lazy, self-indulgent materialism, the amiable, lackadaisical, footless, confused complacency of the free nations of the world. They have dissipated, like wastrels and drunkards, the inheritance of freedom and order that came to them from their hard-working, thrifty, faithful, believing, and brave men.

To these virtues we shall return in the ordeal through which we are now passing, or all that still remains will be lost and all that we attempt, in order to defend it, will be in vain. We shall turn from the soft vices in which a civilization decays, we shall return to the stern virtues by which a civilization is made, we shall do this because, at long last, we know that we must, because finally we begin to see that the hard way is the only enduring way.

Post-Scripts . . . .

Starts 60th Year

A few days ago, Employee No. 14 started his 60th year of continuous service with the Cockshutt Plow Co. He is Col. Harry Cockshutt, chairman of the Board of that company and its subsidiary which includes the big Cockshutt Moulded Aircraft, established last year and now employing nearly 6,000 men and women, building plywood aircraft bodies. Away back in September, 1884, so early in the morning that it was still almost dark, a small lad walked into the blacksmith's shop at the plow works, and started to work. Established by an older brother, Harry Cockshutt found just 13 other employees on the staff. Today, Col. Cockshutt still goes regularly to the big plant which dominates industrial Brantford, but in the intervening years he has advanced successively through the various departments to the very top.

COL. COCKSHUTT

Col. Cockshutt has shipped his plows and other farm implements to all parts of the British Empire, to South America and other countries. Since the outbreak of this war, however, output of farm implements has been restricted and the emphasis placed on aircraft and other equipment for the armed forces.

But, tallish and spare Col. Cockshutt has been more than a major Canadian industrialist. He has served his native city, and his country in a great many capacities. He was Mayor of Brantford during the South African War and in the First Great War of 25 years ago he organized and was Commanding Officer of the 215th Battalion. He was City Counsellor of Brantford at the age of 21, elected Mayor at 31 and from a couple of years after the First Great War until 1927 he was Lieut.-Governor of the Province of Ontario.

Following that distinguished service, he received the LL.D. degree from the University of Toronto and the University of Western Ontario and today he is Chancellor of the latter institution.

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Widely Experienced

One of Canada's most widely experienced farmers has been named by Premier George Drew to head the new Ontario Agricultural Committee of Enquiry. He is Archibald Leitch of Guelph. Now around 60, spare and moderately greyish, Leitch has crowded enough successful careers behind him to satisfy several men.

Born and reared on a farm near Cornwall he probably would have stayed there and made a job of it, had not a brush with a bit of farm machinery cost him an arm. However, he decided to stick as closely to farming as possible and entered the Ontario Agricultural College at Guelph in 1901, graduating four years later.

The next ten years, Archie Leitch—no one refers to him as Archibald—spent in managing big commercial farms in Canada and the United States with the exception of one year attached to the staff of the Iowa State College. In 1915 he returned to the OAC as superintendent of the big college farm and in charge of livestock research. While in this position he commenced an enquiry into farm management and marketing which resulted in the creation of a department of economics at Guelph. Leitch was put in charge and starting from scratch within five years, had become one of the best known agricultural economists in Canada.

In 1928 he resigned from the OAC staff and went into tobacco growing in Norfolk County. Soon he became, by long odds, the biggest in Canada. In fact the 5,000-acre Wyndham plantations of which Leitch is president, is said to be the second largest tobacco farm in North America.

Having demonstrated that high quality flue-cured tobacco could be grown successfully on the sandy lands of Norfolk County, Archie Leitch next turned his attention to finding a market for it. He made several trips to Britain and largely through his efforts an export trade of close to $10 millions a year was developed. Leitch was also one of the prime movers among the growers in establishing real co-operation with the big tobacco buyers. Previously there had been much friction with consequent violent ups and downs in the fortunes of the growers. For awhile Leitch was chairman of the Dominion Marketing Board and practically since its inception head of the Flue-Cured Tobacco Marketing Board, the organization that handles the great bulk of the tobacco grown in Canada.

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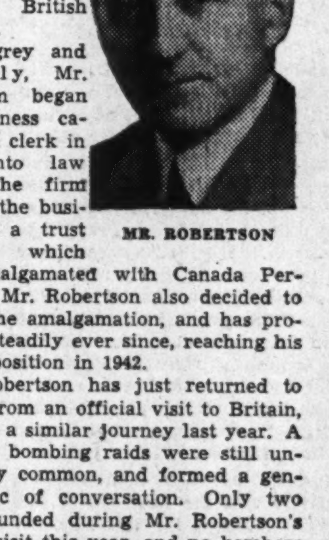
Britain Now — Britain Later

In the opinion of Charles S. Robertson, vice-president and general manager of the Canada Permanent Mortgage Corporation, the most striking change in the British attitude in the past year is the increased optimism concerning the war outlook and the effect this has had on British thinking.



MR. ROBERTSON

Tall, grey and friendly, Mr. Robertson began his business career as a clerk in a Toronto law firm. The firm handled the business of a trust company which later amalgamated with Canada Permanent. Mr. Robertson also decided to join in the amalgamation, and has progressed steadily ever since, reaching his present position in 1942.

Mr. Robertson has just returned to Canada from an official visit to Britain, sequel to a similar journey last year. A year ago bombing raids were still unpleasantly common, and formed a general topic of conversation. Only two alerts sounded during Mr. Robertson's London visit this year, and no bombers came within range of London's anti-aircraft batteries. The subjects of casual gossip are the time the blackout will be lifted, and when the food rations will become more generous.

"Although Britain is so thoroughly mobilized for war that businessmen have little opportunity for postwar planning, I found most business leaders intensely concerned over the postwar outlook for international trade," says Mr. Robertson. "I was frequently asked about Canada's willingness to import manufactured goods from Britain. When it is pointed out that this will probably depend to a considerable extent on Britain's willingness to import bacon and other farm products from Canada, British businessmen can see no reason why these imports should not continue, and are most generous in their praise of all Canada has done. I really do not think there will be the same tendency to switch trade from the Dominion to Denmark and Argentina that developed after the last war."

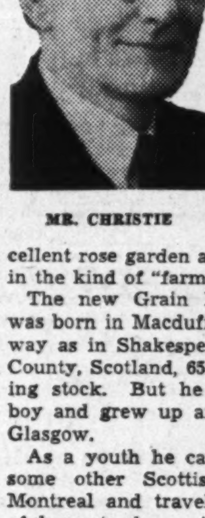
British manufacturers are likely to design new products expressly to meet the tastes of consumers in the export markets, thinks Mr. Robertson, and a number are seriously considering proposals to set up branch production units in Canada and other countries to serve the export markets direct. Programs of this nature would avoid some of the uncertainties of international trade. British businessmen seem concerned regarding our ability to organize international trade on satisfactory lines—particularly to find a formula that will prove suitable to Russia and the other United Nations.

"Many British investment men are predicting a period of higher interest rates after the war, citing the great need for capital for reconstruction and expansion that is expected to develop. How this can take place during these days of controlled interest rates is a mystery to me, and completely out of line with my own views, but a number of well-informed Britons are confident that this will be the trend," Mr. Robertson stated.

• • •

Grain Trader

Alex Christie, new president of the Winnipeg Grain Exchange, deals in thousands of bushels of grain in a day—but he spends his spare hours tilling a flower garden.



MR. CHRISTIE

As vice-president of Canadian Consolidated Grain Co., Christie spends most of his days on the trading floor of the Exchange, there conducting a good deal of the business of his large firm. As a proud resident and one-time reeve of suburban St. James, adjoining Winnipeg, he tends a very excellent rose garden and thereby indulges in the kind of "farming" he really likes.

The new Grain Exchange president was born in Macduff ("spelled the same way as in Shakespeare"), in Banffshire County, Scotland, 65 years ago, of farming stock. But he left Macduff as a boy and grew up and was educated in Glasgow.

As a youth he came to Canada with some other Scottish lads, landed at Montreal and travelled west in search of homesteads. Apparently what he saw of the lonely prairie lands didn't appeal. He hurried back to Winnipeg and began to work for the late David Horne, first chief grain inspector.

That lasted for a short time and he joined the Canadian Elevator Co. in a clerical position. After some mergers, this firm, in 1928, became the Canadian Consolidated.

Alex Christie has had a long experience in the convulsive transactions of the grain pit. Since 1913 he has been a member of the Exchange and during that time he has been a trader.

In the Exchange board room "just about everything in connection with grain trading" comes up for discussion. New orders from Ottawa, the question as to when futures should be posted for trading and similar subjects that concern members crop up and the president is supposed to know all the answers.

Apart from his hobby of gardening, Mr. Christie is active in the affairs of his community. He was reeve of St. James for four years and is still active on committees, including the town planning committee.

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Other People's Views . . . .

The Canadian Editorial of the Week

If the CCF Wins

Winnipeg Free Press

Our quarrel with the CCF and Mr. Coldwell is not only that we believe the implementation of their program would be a disaster to Canada. It is based on the conviction that they are indulging in wholesale debauchery of the electorate.

They are promising everything to everybody; and there is not the slightest hope of fulfillment of half those promises. They cloak themselves moreover with such an air of moral righteousness that they bemuse themselves into the belief that all criticism of them is evil, their own critical judgment is likewise warped; and they never admit, not one of them, that the old rule of life that you get precisely what you pay for in this world holds good in a socialist as in an individualist state.

If Mr. Coldwell honestly believes that he must effect a progressive reduction of interest rates, let him advocate it by all means. To some people this will mean theft plain and simple. Others will think it is all right. But what CCF spokesmen have no right to do is to deny that this also involves the confiscation of life insurance, for it does.

If the Canadian people want to vote for the CCF program that is their right which they will exercise or not in due time as they please. But when they vote for it, we hope that it will be clear to them that they are not voting for a Santa Claus who will come climbing down the chimney on Christmas Eve and fill their stockings with presents they don't have to pay for. They will have to pay plenty, and the loss of their life insurance, if Mr. Coldwell's program is implemented, is one of the prices they will pay.

• • •

What The Papers Are Saying . . . .

Standard of Living, or Life?

Edmonton Journal

A good many millions of Canadians would like to see the income tax exemption raised to $2,400, as the Trades and Labor Congress of Canada in convention at Quebec formally urged, but we think most of those millions realize that today's heavy taxation is very definitely helping to win the war.

The Congress suggests $2,400 is "a sum covering a decent standard of living." Today, however, most Canadians are more concerned with maintaining a decent standard of life, and they know that there is nothing decent in life under Nazi slavedrivers. When the Germans and Japanese have been thoroughly smashed and their attempts to master the world buried, let us hope forever, Canadians along with the people of all nations will set about restoring and raising their former or present standards of living.

Governments in democracies do not ask their people to pay taxes for the fun of it, for they know people have votes and taxes are unpopular. When they do levy taxes, and ask nearly everyone to pay something, it is because of urgent necessity.

• • •

As Others See Us . .

Postwar Trade

Moose Jaw Times-Herald

"What steps should be taken now to assure Canada her proper place in postwar world trade?" This is the question which The Financial Post of Toronto placed before a large number of Canadians, members of parliament, industrialists, economists and newspaper editors. It is timely that such a question should be brought into the sphere of public discussion, because it is part of the postwar planning.

It is closely connected with the problem of rehabilitation of men and women returning from the services to civilian life and the reorientation of the entire industrial and economic policy of the Dominion.

In the first place, Canada's position industrially has undergone revolutionary changes during the four years of war. The first task is to plan for reconversion of industrial plants from the manufacturing of munitions and war supplies to the making of domestic goods. Immediately peace is restored there will be unprecedented demand for food to feed the starving millions of Europe, and following swiftly on the heels of necessity to meet these needs will be the demand for "consumer" goods from the people of Europe.

European factories, like ours, have been engaged in making munitions and war supplies, but hundreds of those so engaged have been destroyed by acts of war. The restoration of these factories cannot take place as rapidly as the reconversion of plants can be accomplished in Allied countries. The first requirements placed before the Allied countries when Victory has been won will be furnishing food and replenishing the clothing, bedding and other domestic necessities of the people of Europe. Much of this will probably have to take place under lend-lease and "mutual aid." That means giving, though not necessarily without expectation that the gift will be repaid in some form or manner.

Sayings of the Week

"I challenge any responsible citizen to say that Canada's war effort has not been magnificent." — *Prime Minister Mackenzie King.*

• • •

"Our recent victories have failed to affect in any vital degree the strength of the enemy." — *Robert P. Patterson, U. S. Undersecretary of War in warning that the United Nations have a long way to go before Germany is beaten.*

• • •

"However weary we may be of the conflict, we cannot dare to relapse into indifference and wishful thinking as we did last time."—*Dr. Harold Butler, British Minister for Public Relations at Washington, speaking in Toronto this week.*

• • •

Stop Me If . . .

There's the farmer who was asked what time he went to work in the morning.

"Son," he replied to the interrogator, "I don't go to work in the morning. I'm surrounded with it when I get up!"

Highway Trucking

Declines Collective Rate Rise

But Truckers Want Boost For Whole Industry

After negotiations and studies and submissions covering several months, Ontario trucking companies declare they are unsatisfied with the answer WPTB officials have given on their appeals for higher rates.

"The administration has failed to understand this industry's trend to serious loss position and in this case is ruling in a manner contrary to declared WPTB policy," officials of Automotive Transport Association of Ontario complain.

Crux of the protracted debate is whether relief under the price ceiling is to be granted by a blanket order setting up what the administration calls a uniform maximum rate, or whether companies experiencing greatest hardship in rising costs and impaired profit position will be accorded individual relief.

WPTB Holds Off

Collective relief may yet be given but is not now indicated, Services Administrator M. W. McCutcheon tells The Financial Post.

"The administration's attitude," says McCutcheon, "is simply that the industry's profit position, as revealed by collective figures submitted, does not at this time justify collective relief. But the door is left open and the Prices Branch of WPTB is consolidating an independent survey of the month-to-month profit and loss picture in this industry so as to be in a position more accurately to determine whether and when collective relief may be justified.

"Meanwhile, as has been stated to the Automotive Transport Association on several occasions recently, any individual operator is free to make application for his own relief, and consideration will be given him on the basis of his own financial position."

The Post is informed that one operator has made application and has been granted relief, having been given WPTB permission to levy a 3c per cwt. surcharge (5c minimum on any one shipment).

As part of an ATA argument that such individual relief is not feasible in an industry as competitive as automotive transport, the association contends the position of the favored firm is unimproved, that it will lose business to competitors as soon as it imposes the surcharge.

From the point of view of the association, its latest submission, containing profit and loss figures from representative operators for the Jan.-June period 1940-43 inclusive, brings current negotiations to stalemate. Earlier argument in this case was dealt with in July 24 and Sept. 4 issues of The Financial Post.

Profit Position Argued

In denying the ATA application again, McCutcheon stated that the carriers concerned, during May and June, 1943, operated at a profit of $100,000 or 7.5% of revenue, a result which he claimed could not be considered unsatisfactory.

ATA officials contend that this basis for refusal is unfair.

They point out that in May and June, 1940, with a revenue of $840,000, the 15 companies aggregated a profit of $172,000 or 20.6%; in May and June, 1941, the revenue was $1.1 millions and the profit $188,000 or 16.6%; the same period of 1942 showed a revenue of $1.2 millions with a profit of $194,000 or 15.5%. In 1943, with $1.3 millions revenue—the largest for the four years—the profit was down to $100,000 or 7.5%.

McCutcheon also states:

"If, therefore, we are to consider that results for the months of May and June, 1943, indicate more accurately the over-all position of the industry, we can reach no other conclusion than that we would not be justified in granting over-all rate relief to the industry."

Profit Drops Steep

Even though May and June are cited by the ATA as two of the most favorable operating months, it is held significant that, while revenue increased in the May-June period of 1943 by 60.43% over the same period of 1940, profits dropped by 13.1%. Experience of carriers is said to indicate that May and June are healthy revenue months, but that there is always a considerable decline in the summer and early fall months. In the past, the ATA states, the surplus of revenue over expenses in May and June has offset the losses or reduced profits of the months following, but they contend that the 1943 profit has dwindled to such an extent that, if past experience is the criterion, the industry's loss position at the end of the first six months will be found materially worse by the end of September.

The six months' statement for the 15 companies reveals that in 1943 there was a loss of .08%. This compares with a profit in the same period of 1942 of 8.68%, in 1941 of 14.11% and in 1940 of 15.32%.

Four specific reasons for over-all relief have been submitted by ATA:

1. **Immediate relief is necessary.** They state it took more than two months for WPTB to investigate and render decision in connection with one application submitted.

ATA asserts: "Should 100 applications be made at the same time we fear that, before investigations are completed and decisions rendered, many carriers will be forced off the road."

McCutcheon states relief can be granted promptly if the circumstances require and if the carriers' records are up to date and available for inspection.

2. **Carrier discrimination.** ATA states every carrier has been faced with the same cost increases and it is not in the best interest of the industry to permit one carrier to charge higher rates while his competitors are compelled to adhere to ceiling prices. They contend every carrier should be treated alike and point to a 4% increase granted in July this year in the U. S. to all carriers in the Middle Atlantic States—this concession following a 6% increase in March, 1942.

McCutcheon replies that relief is not necessarily granted to all persons within an industry who for some reason appear to be less able to bear the increased costs to which the industry, as a whole, has been subjected.

3. **Competitive aspect.** On certain routes, ATA points out, carriers are in competition with 20 to 30 other licensed operators. What response will one carrier receive from his customers when he alone attempts to collect a surcharge, the association asks? It can be expected that certain traffic would be diverted to those carriers not authorized to assess a surcharge, with the possible result that the loss position of the carrier adding the surcharge will be greater.

McCutcheon discounts the probability of substantial diversion of traffic from a carrier authorized to assess a surcharge, because the industry is now operating at or near capacity.

4. **Shipper discrimination.** ATA states:

"Your decision in granting individual relief will have the effect of creating discrimination among shippers of freight as well as carriers. A manufacturer of a competitive commodity using the services of a carrier who increases his rates may be placed in an unfavorable competitive position inasmuch as other firms in the same line of business, competing for the same markets and shipping by other carriers, will have the advantage of the lower rates."

McCutcheon asserts that discrimination exists now because WPTB has found a single carrier charging different rates to competitors in the same business. Granting of relief by authorizing imposition of a specific surcharge would not, he feels, alter this situation.

Costs Dominate Picture

Shown here is a comparative profit and loss statement, for the years 1940 to 1943 inclusive, of 15 for-hire inter-city motor freight companies (abstracted from a submission by the Automotive Transport Association of Ontario).

It reveals that between 1940 and 1943, revenue for a six-month initial period increased by 62.51% but costs increased by 91.85%. Comparison of the initial six-month record of 1943 with that of 1942 shows a drop in revenue of 1.29% but an increase in costs of 8.18%.

The statement also affords a view of the May-June position of the carriers. It shows that between 1940-43, revenue of the 15 companies for those two months increased by 60.43% but that costs increased by 87.01%. Comparing 1943 with 1942, there was among them a revenue increase of 7.04% and cost increase of 17.23%.

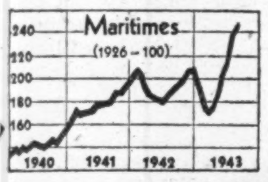
	6 months, Jan. 1-June 30					2 months, May-June				
	Rev	Costs		Profit		Rev.	Costs		Profit	
Year	$000	$000	% Rev.	$000	% Rev.	$000	$000	% Rev.	$000	% Rev.
1940	2,358	1,999	84.78	359	15.22	834	662	79.4	172	20.6
1941	3,367	2,892	85.89	475	14.11	1,133	945	83.4	188	16.6
1942	3,882	3,545	91.32	337	8.68	1,250	1,056	84.5	194	15.5
1943	3,832	3,835	100.08	*3	*0.08	1,338	1,238	92.5	100	7.5

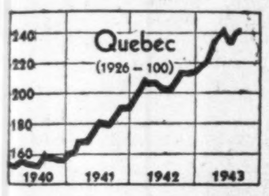
* Loss.

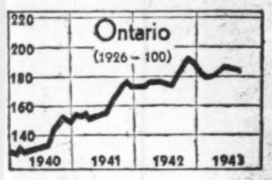
Maritimes, Quebec Lead Economic Areas in Aug.

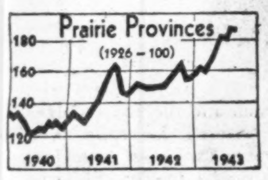
Further increases were recorded in the business activity of the Maritime Provinces and Quebec during August over the preceding month, The Financial Post's data indicates. Minor recession was shown in the three other economic areas. Following the rapid advance in each of the five areas since the outbreak of hostilities, an extremely high level of activity is indicated by the regional indexes. In recent months a greater tendency has been shown toward backing and filling. The advances for Ontario and British Columbia, for example, have not been of important dimensions during the present year.

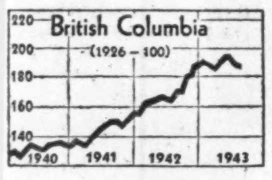
The output of electric power recorded gain in each of the economic areas east of British Columbia. The new business obtained by the construction industry showed marked gain in Ontario over the preceding month, while contracts awarded were also at a high level in the Prairie Provinces and British Columbia. Bank debits were greater in Quebec and the sales of life insurance rose in the Maritime Provinces. The advance in the price of wheat was a notable feature affecting the result for the Prairie Provinces.











Trend of Business in Economic Areas

	August 1943	% Change August 1942	July 1943
Maritimes:			
Constr. contr ...... $	1,698,000	—56.0	1,546,000
Bldg. permits ...... $	334,000	+49.8	630,000
Life ins. sales ... $000	4,148	+30.8	3,707
Bank debits . $000,000	91.7	+12.8	100.9
Elec. pwr. . kw.h.000	103,000	+41.1	98,000
Employment*	184.7	+4.2	175.3
Index	245.7	+25.9	238.9
Quebec:			
Constr. contr. ...... $	5,127,000	—54.9	5,826,000
Bldg. permits ...... $	1,780,000	—28.4	2,503,000
Life ins. sales ... $000	12,040	+14.1	13,241
Bank debits . $000,000	1,216	+19.8	1,310
Elec. pwr. . kw.h.000	2,055,000	+19.5	2,046,000
Employment*	198.7	+6.2	197.8
Newsprint prod., tons	259,612	+2.5	262,323
Cotton consump., lb.	13,959,740	—12.2	14,280,748
Index	241.2	+14.5	239.2
Ontario:			
Constr. contr. ...... $	6,191,000	—48.0	5,406,000
Bldg. permits ...... $	3,324,000	—0.7	3,889,000
Life ins. sales ... $000	17,957	+9.8	21,579
Bank debits $000,000	1,747	+4.7	1,955
Elec. pwr. . kw.h.000	837,000	+6.1	831,000
Employment*	184.9	+2.1	182.9
Livestock slaughterings*	218.5	+21.5	229.2
Pig iron prod., net tons	164,906	+1.4	151,369
Index	184.0	+0.8	186.9
Prairie Provinces:			
Constr. contr. ...... $	9,459,000	+143.2	2,593,000
Bldg. permits ...... $	940,000	—44.6	2,081,000
Life ins. sales ... $000	6,818	+19.1	7,896
Bank debits . $000,000	709	+45.0	765
Elec. pwr. . kw.h.000	212,000	+9.8	210,000
Employment*	141.6	+1.6	138.5
Wheat receipts .. bu.	14,487,000	+472.4	24,462,000
Wheat prices**	111/7	+25.9	109/2
Index	187.9	+14.6	188.0
British Columbia:			
Constr. contr. ...... $	1,390,000	+81.9	795,000
Bldg. permits ...... $	702,000	+19.6	697,000
Life ins. sales ... $000	3,828	+8.2	3,854
Bank debits . $000,000	257.4	+14.1	274.4
Elec. pwr. . kw.h.000	221,000	+2.8	219,000
Employment*	191.9	+14.3	187.6
Index	188.2	+9.7	192.1

*1926=100. Employment statistics apply to preceding month.

**Cents and eighths of a cent per bushel.

The Week in Business

	Aug.	July	June	May	Year Ago
Financial Post Production Index	255.5	254.4	252.7	256.8	249.0
National income, D.B.S. (c)	...	§749	§752	§752	658
Dom. war expend. (million $)...	436.3	264.2	256.3	272.2	171.9
Dom. total revenue (do)	208.7	283.0	198.8	205.1	164.3
Dom. total expend. (do.)	470.3	498.9	322.0	325.0	299.8
Dept. store sales index no.	....	144.9	131.0	138.6	145.5
Retail sales index no.	....	155.8	155.5	154.5	150.4
Wholesale sales index no.	....	174.8	174.3	163.6	154.3
Country store (% change pr. yr.)	....	+17.6	+14.9	+13.8	+10.6
Divd. payment index♦	124.2	124.2	123.5	122.7	123.5
Bank deposits (1935-39=100) ...	169.9	176.0	....	171.0	163.0
Cash and cheque pay. index ...	....	174.7	171.3	215.7	146.7
Bank debits (1935-39=100)	....	158.2	147.5	183.0	133.0
Money supply (c)	....	4,851	4,883	4,727	3,686
NEWSPRINT % OF CAPACITY—					
Production ratio	....	....	69.6	68.6	65.6
Shipment ratio	....	....	73.7	69.6	68.4
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	182 8	190.3	201.4	191.7	163.0
Cars (D.B.S. index)	138.7	148.0	147.0	142.5	129.6
COST OF LIVING—					
D.B.S. index	119.2	118.8	118.5	118.1	117.7
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	183.7	181.2	178.2	175.7
Manufacturing	....	226.5	224.2	222.9	209.5
Payrolls (June 1/41=100 (b) ...	....	145.7	143.6	139.8	129.5
Payroll index (a) (1937=100)....	....	225	225	225	204

RAILWAYS—	1943	1942	1943 Jan. 1 to date	1942 Jan. 1 to date	Change %
▪Carloadings (week Sept. 18)	72,705	69,781	2,446,648	2,422,357	+0.9
▪C.P.R. gross (week Sept. 21) $	6,011,000	5,269,000	207,518,000	180,087,000	+15.2
▪C.N.R. gross rev. .. (Aug.) $	39,687,000	34,419,000	290,003,000	236,967,000	+22.3
▪C.N.R. net rev. ... (Aug.) $	9,062,000	8,178,900	62,693,000	53,929,000	+16.2
C.P.R. gross rev. ... (July) $	26,642,582	21,926,008	162,874,113	142,959,100	+14.0
C.P.R. net rev. ..... (July) $	3,930,047	3,268,451	25,133,209	25,216,534	—0.3
IRON AND STEEL—(July)—					
Pig iron production (tons)	151,369	172,153	1,019,158	1,146,153	—11.0
Steel production ... (tons)	250,508	256,560	1,749,661	1,815,798	—3.6
CONSTRUCTION—					
Contracts awarded (Aug.) $	23,865,300	31,771,200	142,159,000	198,811,000	—28.6
▪Building permits .. (Aug.) $	7,080,395	8,342,168	52,195,351	70,321,194	—25.7
▪Cement prod., bbls. (July)	935,465	1,245,588	3,935,826	4,708,246	—16.4
AGRICULTURE—					
Flour prod., bbls. .. (July)	1,945,123	1,590,219	14,104,738	11,315,427	+24.6
Cattle sales▲ ..... (Aug.)	126,045	98,176	699,782	708,029	—1.1
Hog sales▲ .... (Aug.)	400,253	331,246	4,133,894	3,939,989	+4.9
SEA FISHERIES—‡					
Catch cwts. ..... (June)	1,069,752	992,079	3,685,576	4,417,285	—16.6
Landed value ..... (June)	5,711,877	3,716,970	14,816,993	10,452,840	+41.8
NEWSPRINT—					
Production, tons ... (Aug.)	259,612	253,239	1,965,605	2,152,591	—8.6
Exports, tons ...... (July)	269,139	226,971	1,630,131	1,747,258	—6.6
MINING AND OILS—					
Coal prod., tons ... (July)	1 365,648	1,497,196	10,259,354	10,965,905	—6.5
Gold rec. (fine oz.) . (Aug.)	255,878	363.368	2,501,625	3,164,991	—20.9
Petroleum prod., brl. (June)	826,119	856,746	5,037,870	5,240,038	—3.6
ELECTRIC POWER OUTPUT—(August)					
▪Total monthly 1,000 kw.h.'s	3,428,513	2,989,690	26,456,985	24,567,745	+7.7
OTHER INDUSTRIAL FACTORS—					
Shoes, prod., pr. . . (July)	2,848,408	2,397,862	20,251,037	19,091,132	+6.1
Cotton consump., lb. (Aug.	13,959,740	15,906,594	123,755,507	132,546,192	—7.1
Cigarette cons. No.† (Aug.)	919,367	852,493	7,281,162	6,331,719	+14.9
FINANCE—					
Bank debits† .. ... (Aug.) $	4,020,267	3,479,745	33,893,600	28,775,585	+17.7
Bond sales† ...... (Aug.) $	123,725	340,755	3,643,918	2,589,052	+40.7
▪Life insurance sales (Aug.) $	45,612,000	39,963,000	377,715,000	323,611,000	+16.7

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. ▲Total at yards and plants. †000 omitted. ▪Millions of dollars. ♦Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted. (a) Compiled by Canadian Bank of Commerce (b) All industries. §Estimated.

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The War and Business

By BRUCE MacKINNON

Priority Progress

Canada's modified Controlled Materials Plan has hit its stride, businessmen report, and the whole priority system is running so smoothly that no important change in the scheme is looked for before the end of the year, according to those queried by The Post. Three factors are given the credit: modified CMP is simpler and has not been subjected to the host of minor changes that bedevilled earlier plans; it is better controlled, avoiding the pitfall of "priority inflation" which developed when priorities were issued without adequate check on what had previously been issued; and with the construction phase of war industry now practically completed, there is less clamor from new enterprises for priorities. At the same time production has become more stable and there are fewer emergencies calling for special treatment. Only a major alteration in production programs would be likely to upset the present system, it is thought. Since alterations are currently being introduced piecemeal, one shift usually being effected before another crops up, no drastic changes are anticipated.

• • •

Clinical Trend

WPTB's Management Service Division is now conducting its fifth series of business clinics. Devoted to problems of food retailers, the current series is a companion to clinics on footwear, hardware, drugs, and "consolidated clinics" in which all merchants of a given area participate.

Aside from their major purpose of assisting hard-pressed merchants, the clinics provide a most valuable sounding-board for other sections of WPTB. Facts brought out at these open forums have occasionally resulted in regional increases in merchandise allocations, have influenced rationing policies and other controls.

• • •

Labor Diplomats

Unique among organizations operating in Canada is the International Labor Office, better known as the "ILO." Canadians and others are beginning to appreciate the part which ILO played in the preparation of the Beveridge and Marsh social security reports. What they may not know is that members of the ILO, even though residents of Canada—Montreal is their headquarters—enjoy diplomatic privileges. This puts them outside the pale of foreign exchange regulations, federal taxes, restrictions on travelling in and out of the country, etc.

• • •

Buna Future

What's to become of the giant synthetic rubber industry that has mushroomed near the larger oil refineries in Canada and the United States is still one of the biggest question marks of the petroleum industry. It is admitted that the industry has two current strikes against it—it was hustled into production while there was still argument as to the best processes, and it has to pinch-hit for rubber in tires and other products where processing methods are still those developed for natural rubber. These factors may prevent the wartime synthetic plants from continuing on the present basis, but it is felt that synthetic rubbers will continue in demand on a tailor-made basis at least—i.e., special synthetics designed for individual conditions, resistant to acids, petroleum, extremely high or extremely low temperatures. In this field, petroleum engineers feel certain that the synthetics will find a market which cannot be supplied by the natural product whose characteristics are limited by nature.

• • •

Break for Pulp

Unexpected bonus for Canada's pulp producers is the part rayon is playing in wartime tire manufacture. Because rayon and nylon have greater strength for a given weight, they have dispossessed cotton in construction of airplane tires and partially from truck tires. In the passenger car field, it is expected that cotton will still be king, as there is less need for strength. But it is pointed out by tire research men that the synthetic fibres' greater strength makes thinner tires possible and this may play a part in slimming tires made from synthetic rubber, thus helping to overcome their tendency to generate and retain more heat than natural tires.

$538,000,000 !
. . . was the cash income of Canadian farmers for the first six months of 1943 — a 25% increase over the similar period last year.
Rural Canada is getting more prosperous!
Mr. Manufacturer — the time to advertise to rural Canada is NOW! . . . . Build a solid foundation for post-war sales.
Through the Family Herald and Weekly Star you can reach over 300,000 prosperous rural homes — more than any other farm magazine.
Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

GOVERNMENT AND CORPORATION SECURITIES
A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria
New York London, Eng.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1942), $12,389,021

STAYING POWER
IT'S THE last lap that is important to the marathoner — the home stretch to the thoroughbred.
Years of preparation gave the lead to the enemies of freedom. But, organized co-operation has been developed by the United Nations and to-day the machinery of our war production is running smoothly.
Steadfastly and grimly the United Nations have now gained the lead.
GSW is playing an important part in this herculean effort. Its experience and facilities have been called on to supply innumerable items used for feeding and equipping the Armed Forces. This, together with a restricted supply of raw materials, has caused some curtailment in production for domestic use. We appreciate the forbearance of our customers and look forward to the day of Victory when we can again supply all demands.
GSW QUALITY GOODS
GENERAL STEEL WARES
LIMITED
MONTREAL TORONTO LONDON WINNIPEG CALGARY VANCOUVER

It's wasteful at any time
. . . but in wartime
IT'S TRAGIC TO LET A MOTOR TRUCK WORK WITHOUT A TRAILER!
Maybe "tragic" isn't quite strong enough.
Consider these simple facts:
• Despite our war successes, our production must be still greater.
• Transportation, an indispensable part of production, must likewise do a still bigger war job. Every freight-carrying vehicle must do every ounce of work that can be squeezed out of it.
• Thousands of existing motor trucks could easily do two to four times as much work as they are now doing. Moreover, they could do it with no additional drivers . . . with relatively little more gasoline . . . and with savings (in relation to the amount of cargo hauled) of 15 per cent in tires and 25 per cent in amount of steel used in the vehicles.
Trailers are the answer!
Any motor truck, PULLING a Trailer, can haul two to four times as big a load as it is designed to CARRY. And conversion of any truck into a "tractor" to pull a Trailer is very simple.
True enough, Truck-Trailers are not adaptable to all jobs now handled by trucks, but they can handle a big majority of them and do them more efficiently and economically, meanwhile conserving precious steel and rubber for war needs.
For vivid evidence of Trailer performance, turn to the motor freight operators . . . the men whose very existence depends on getting the most out of their equipment. A survey of leading inter-city carriers showed that of the 1,339 vehicles used by them, 1,016, or 75%, were Tractor-Trailers.
And more evidence: Every economic slump since the advent of Trailers has seen a major boom in their sales and usage . . . because people learned that they could haul more goods with less equipment. While we're in no economic slump now, the need for hauling more goods with a minimum of equipment is greater than ever in history.
Yes, it's tragic to let motor trucks — those already in use or authorized new ones — work without Trailers.
But . . .
Where are the Trailers? Virtually none for non-military use have been built in the past eighteen months. The meager stockpile then on hand has been slowly depleted. Many old Trailers have worn out beyond repair. The country's total supply has shrunk dangerously.
Can the rubber and steel for more Trailers be spared? The relatively insignificant amounts certainly can in view of the multiplied hauling capacity they will produce.
Can the necessary Trailers be produced without interrupting direct war production? Although the Trailer manufacturers of our country are concentrating on war orders, they can quickly devote sufficient facilities to civilian Trailers without slighting their military production.
Possibly the failure to permit the building of desperately needed Trailers has stemmed from a tendency to look upon the Trailer business as an individual industry. But this is a critical misconception. The production of Trailers is actually an integral element of every kind of business . . . of every single company . . . that must haul its materials or products over our roads.
The sooner authority is given for the building of sufficient Trailers, the quicker will a big part of the war transportation problem be settled, because . . .
Trailers are the answer!
"Conservation" is the battle-cry today—conservation of manpower, productive energy, materials, equipment.
"Conservation" is the very keynote of the Trailer Ideal
Every time a Trailer is coupled to a motor truck, the truck's haulage capacity is at least doubled — and this increased load is hauled with no more manpower and with very little extra fuel.
Further, in "shuttle" operations, the motor truck and driver are never idle — they keep on working while the Trailers are being loaded and unloaded.
Actually, "conservation" is the foundation for the tremendous growth of the Trailer Industry.
Fruehauf Trailer Company of Canada, Limited
Toronto, Ontario Montreal, Quebec

LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY *Adelphi*

LONDON.—Fraser Elliott, K.C., looked in on London recently for a few minutes. We were anxious to see Canada's Deputy Minister of National Revenue in order to find how Canadians are standing up to wartime taxation.

Unfortunately Mr. Elliott had hardly unpacked his bags when a cable arrived telling him to come back to Ottawa. It was at this moment that the ex-Torontonian Torquemada handed me a lemon. To be precise he handed me three.

Expecting to stay in London for a fortnight or so, he had brought three examples of this rare and precious fruit. Should he take them back to Canada? He is a kindly man, this Grand Inquisitor of National Revenue. He gave the lemons to me and, to finish the episode, I gave them to a man with a bad cold, a man called Beaverbrook. I cannot squeeze any more out of the incident.

Mr. Elliott is an able man with ideas of his own. He says that Canadians pay more per head in taxation than the British. I told him that over here we gave the Government everything we earned and 10% on top of that. He was not impressed. He is probably used to people telling him such tales.

He told me that when the Canadian Government planned to give Britain £250 millions it was expected there might be some protests. "After all," he said, "it was the people of Canada who had to put up the money for the gift. But we never received a single letter of protest or criticism."

Mr. Elliott believes that Canada will be a Mecca for investment when the war ends. He also believes that South America will be an immense field of development. In his opinion American tourist traffic will be diverted from Europe to South America after the war.

* * *

Tourist Attractions

Up to that time I had listened respectfully to Canada's youngish financial wizard, but at this point I ventured a protest. "Do you really suggest that people will rather see Buenos Aires than Rome?" I asked.

For myself I can hardly wait to revisit Rome. You can always see the Coliseum where the lions ate the Christians, or the steps of the Forum where Brutus stabbed Caesar, or the palace where the Borgias had their music and games. But I want to go to see the place where Badoglio did the biggest double-cross in history. This has been a fantastic war from the beginning but the spectacle of our concluding a secret armistice with Badoglio, then invading Italy while the Italians assured the Germans that they were falling back to prepared positions, with Goebbels paying tribute to Italy's heroism while Badoglio tried to lure a couple of German divisions into a trap . . .

Truly the Germans remain the worst psychologists of any age. They thought they could abandon the Italians in Libya and then make them fight for Germany at home. What language of fury is left to Hitler? What can Himmler do about it with his headsman's axe?

* * *

Bennett Speaks On "Empire"

Viscount Bennett was the guest of honor at the City Liverymen's Club the day after surrender of Italy was announced. I need not tell you that his hosts were not from livery stables but from the city companies which date back to ancient history. There were sheriffs and aldermen there, and M.P.'s and various financial swells and civic dignitaries. They gave "R.B." a great reception. For one thing they were excited about Italy. Then they wanted to pay tribute to Canada for her part in bringing Italy to her knees. So they cheered Bennett before he spoke—and afterwards. In turn he called for three cheers for victory. It was, in fact, a cheery affair.

R.B. was in great form. He spoke on his favorite theme, "The Empire." He told how English money and English lives had won and developed the Dominions and how the lands and all therein were handed over to the local inhabitants together with the gift of self-government. "A lot of you do not know these things," said Lord Bennett, "but ignorance of your own history cannot rob you of the credit for your actions."

Toward the end of his speech he touched on a serious note. He described how individual Dominions, exercising their undoubted rights, were planning to develop a foreign policy of their own. He cited the speech of Brooke Claxton, Parliamentary Assistant to Premier King, made in the Canadian Parliament, as an example of what might happen. "We must establish Empire machinery for achieving a common foreign policy and a common plan of defense," Lord Bennett said. His audience agreed.

* * *

Shades Of Dick Whittington

At the luncheon I sat next to a sheriff-elect and learned some interesting facts. There are two sheriffs elected every year. No man can become Lord Mayor unless he has been a sheriff and an alderman. One of the "privileges" of the two sheriffs is to entertain the judges of the Old Bailey circuit to lunch when they are sitting. There are all sorts of privileges like this which cost a sheriff some £4,000 out of pocket for his year of office in normal times. In war it is about half the amount.

The Lord Mayor is given an entertainment and hospitality allowance of £12,000 for his year of office. In peacetime it costs him a similar amount from his own purse—in wartime about £6,000.

How did Dick Whittington do it? England is a grand democracy, but should a poor man be Lord Mayor of the City of London (not to be confused with Greater London) which is the citadel of finance?

* * *

Rebuffs "Second Fronters"

An astounding man is Sir Walter Citrine, the Trade Union leader. For some weeks there has been a strong demand that Britain and America should form a "second front" in France and thus draw off about 30 German divisions from Russia.

At the Annual Trade Union Conference he made a speech. First, he suggested that the question of fronts should be left to the experts. Then he added, "You must remember that we have one more enemy than Russia."

It was the first public reference for a long time to the enigma of Russia's attitude toward Japan. It came as a cold douche to the pro-Russian "Second Fronters." Citrine is probably surprised at the sensation that his speech has caused. If, as a result, Russia should lift the veil ever so slightly, it would add to the sum of gratitude we owe Sir Walter.

* * *

Hylton, The Reformer

Jack Hylton, the ex-band leader and now a big figure in the London theatre, may go down in the nation's records as a reformer. A fortnight ago he was fined some £200 and sentenced to two weeks in prison.

This was his crime. He has two motor cars licensed for petrol in London. He also has a luggage van licensed for petrol at his farm in Oxford. By an unlucky coincidence his two London cars broke down and as it takes weeks for the simplest repairs, he brought his van to London. The police tracked him from theatre to restaurant and from restaurant to theatre. So they summoned him before an elderly "Beak."

Poor Jack! There was no use trying to explain that the theatre was his business, that he had 2,000 employees, and that an impresario always does business over a restaurant table. The magistrate sentenced him as a warning to others. It was not that he had wasted petrol or used more than his allotted amount. His crime was that he had used a vehicle in London which had been licensed for work near Oxford.

"It's a wonder he didn't have me flogged," said Jack with a rueful grin. He decided to appeal. His friends urged him not to in case the sentence was increased. But he persisted, and yesterday the Court of Appeal revoked the prison sentence.

We shall all breathe easier. Any misuse of petrol is a serious offense, but this was a technical misuse not of petrol but of a car. The police, encouraged by the magistrates, have gone too far in their prosecutions.

Hence Hylton, the reformer.

JAMES W. SEWALL
Ruttan Block, Port Arthur, Ont.
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. — Iroquois Falls, Ont.
Pine Falls, Man. — Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. — Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Serving Canada's War Production Line

Canada's Royal Family of Hotels
DIRECTION *Vernon G. Cardy*

STELCO DIRECTOR

George W. Spinney, president of the Bank of Montreal, who has been elected to the board of Steel Co. of Canada, succeeding the late H. T. Diplock.

Pacific Cities Plan Helicopter Air Services

Vancouver Island Air Lines Seeks License for Transport Network

From Our Own Correspondent

VANCOUVER.—The Pacific gateway cities of British Columbia are expecting to play an important part in the coming age of airway development. One phase of the inevitable expansion is already being planned by Vancouver Island Air Lines, Ltd. which, according to President Harold Husband, recently applied to Ottawa and Washington for licenses to provide passenger and freight services by helicopter between Victoria and Vancouver Island points and mainland cities in both United States and Canada.

This is only one of the many projects awaiting the "green light" of peace.

Healthy Backlog

Many months ago various privately owned lines attempted to augment their supply of flying equipment, but priorities prevented. Result is that the aircraft industry has a healthy backlog of orders for transport planes and other machines to maintain civilian services. When these are available all western Canada will probably be criss-crossed by airways linking the cities with areas formerly inaccessible.

Shortly after the war the city of Vancouver plans to build a new $500,000 administration building for its civic airport on Sea Island to accommodate the ever-increasing sky traffic.

It is even predicted that many suburban parks and sports grounds will have to be converted into helicopter "parking lots" from which country commuters can board street cars or motor buses to reach their places of business.

To Deepen Fraser?

Envisioning the air age's impact on Vancouver, William Templeton, manager of Vancouver civic airport, recently stated that the middle arm of the Fraser River will have to be dredged deeper to accommodate the huge transpacific flying boats which will berth here between trips to the Orient and Australasia, and at the south end of Granville Street a medium-level steel bridge will have to be built to provide easy access to the airport. Travellers and freight arriving at the railroad and shipping centre on Burrard Inlet will thus be speeded south on Granville Street to the airport with a minimum of effort and time.

Boeing Aircraft of Canada already has one of the largest plane plants in Canada on Sea Island and some of this will probably be converted to service transpacific planes which may be correlated with Trans-Canada to provide continuous service from the Atlantic to the Orient by the "all-red" route. Overnight flying trips from Vancouver to Alaska and California will be a commonplace alternative to the highway and railroad routes.

Where Helicopter Useful

Airport Manager Templeton, an old-timer in aviation who flew the first plane ever built west of Toronto back in 1910, is "sold" on the idea of helicopters for operation in and around suitable Canadian cities. But he does not think that helicopters, operated in most cases by their owners who will think no more of flying them than of driving the family car today, will have much to do with airport development.

The airports, he says, will have to give all their service and space to fast commercial planes. It will be the job of the cities to provide extra "parking space" for helicopters, with big cleared areas, including adequate landing fields and small, private hangars where plane owners can lock them up for the day or overnight.

Vermilata Oils has announced that, sharing on an equal basis with Pacalta Oils and South End Petroleums, it started work on Sept. 20 in an attempt to bring Vermilion Consolidated No. 3 into production. The well was left standing five years ago after water trouble developed. Successful completion of the present work might lead to the opening up of a new producing area in which the three companies have a substantial acreage, it is stated. The well is located 12 miles south of the present producing field.

Powell River Co. Plans New Hydraulic "Barking" Process

When war is over and equipment once more available for peacetime industrial purposes, the Powell River Co. will redesign its woodmill and install a new mechanical process for removing bark from pulp logs with a minimum of labor and material waste, according to The Powell River News.

The new method, known as the "hydraulic barker," is now in operation at the big Weyerhaeuser Timber Co. mill at Everett, Wash. It consists of a machine in which the bark is removed from the log through the medium of two overlapping jets of water, a chipper large enough to chip logs up to 40 in. in diameter and a band mill for trimming logs over 40 in. in diameter to a size which the chipper spout will accommodate.

The barking apparatus itself consists of equipment in which the log is held while the bark is being removed under high water pressure of 1,400 lb. per sq. in. At the same time the log rotates so that the jets travel circumferentially around the log to achieve equal distribution of water pressure.

"The pressure is so powerful," an official pointed out, "that if the log stopped the water would force a hole in it."

The log goes through the cleaning process in a matter of seconds and is ready for chipping and pulping.

Knots, instead of being bored or sawn out, are left in the log but the hidden dirt and bark seams common in hemlock are dissolved by chemical treatment in the ultimate pulping process.

While a certain percentage of labor will be eliminated by this novel "barker," local employment will be increased.

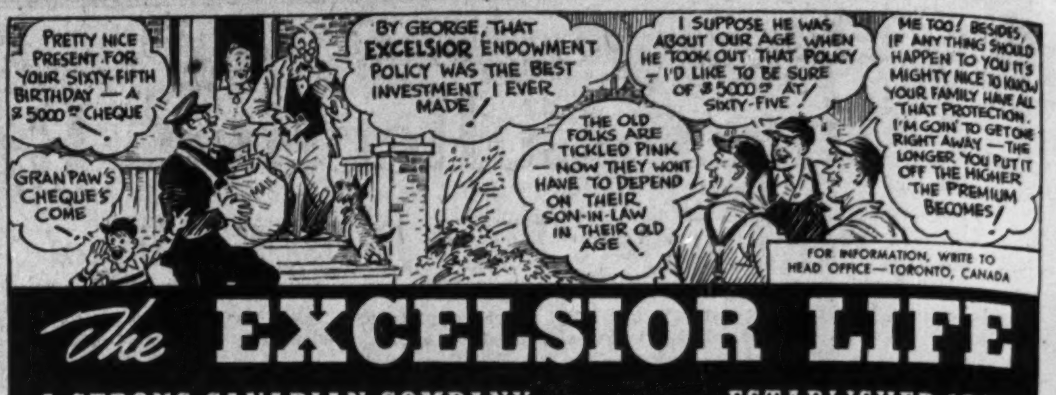
Yield of pulp from logs at the Weyerhaeuser mill has been increased 18% to 20%.

Iceland Spar Claims Optioned by Privateer

Privateer Mine is reported having an option on a group of claims on which have been found caves containing Iceland Spar. The claims are located at Adams Lake, 50 miles north of Kamloops.

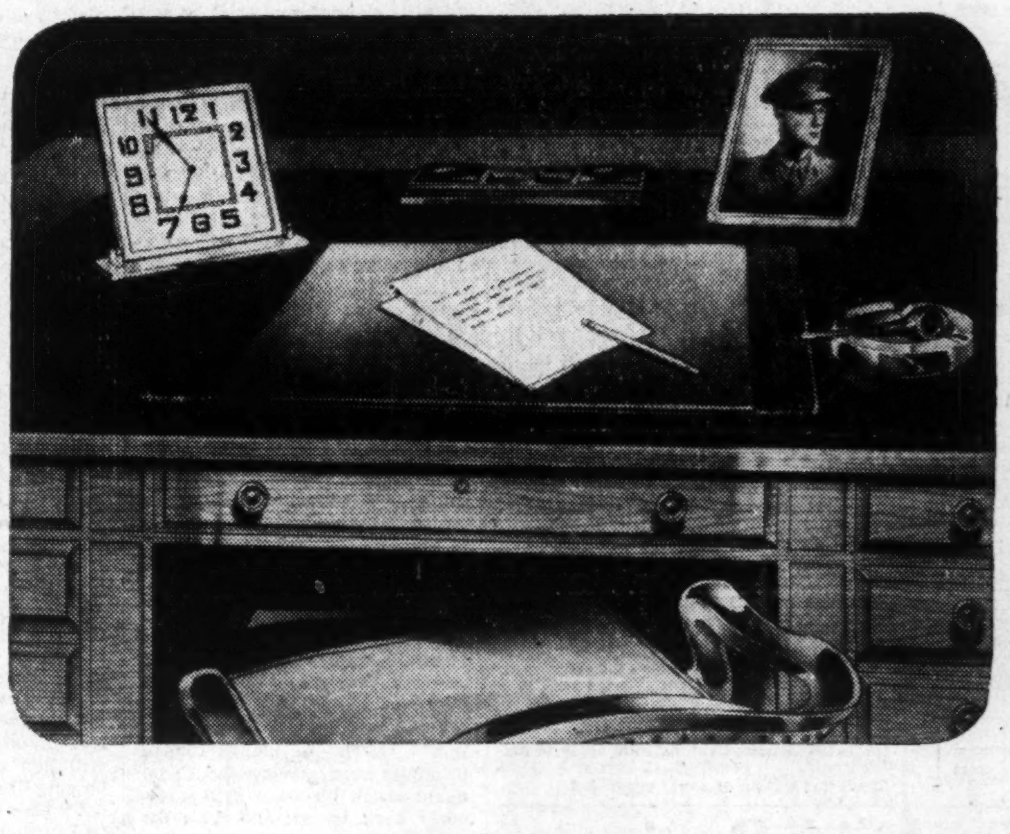
The spar, which is found encrusted on the walls of the caves in a limestone formation, is reported to be of good optical grade and to compare favorably with known Iceland deposits. Pumps have been placed on the property and special saws are being made for cutting the crystals.

After doing some underground work, the company has dropped its option on the Black Prince tungsten prospects.



The EXCELSIOR LIFE
A STRONG CANADIAN COMPANY « » ESTABLISHED 1889
YOU CAN HELP YOUR STAFF BUY THESE POLICIES THROUGH THE PAYROLL DEDUCTION PLAN

UNFINISHED BUSINESS



SEVEN o'clock—you experience a feeling of mental and physical exhaustion . . . better call it a day . . . you can't afford to crack up . . . and so the "unfinished business" goes on.

Who, among business men has not had this feeling . . . but who among them ever dreams of quitting? None. Well, we wouldn't dream of quitting the war until Victory is complete.

Financing the War is "unfinished business" and will continue to be until Victory is complete. It is a job in which we must all share . . . by buying more and still more Victory Bonds.

• • • •

Soon, there will be a Fifth Victory Loan. No need to labour the reason for it. Canada must continue to borrow money. And you are one of those whom Canada counts upon to lend part of this money. Even now it is not too early to consider how many Bonds you will buy for your own account as well as for your business.

• • • •

But we ask you to go beyond this.

We ask you to combat the tendency to complacency that exists among some people . . . These people seem to think that the war is all but won . . . so they are relaxing in their efforts and taking their wartime responsibilities somewhat easily.

The war isn't all but won. We and our Allies shall need to fight harder than ever to deliver the knockout blow. To make that knockout complete, we must put forth extreme efforts . . . at home as well as on the battlefields. By every hour that we *shorten the war* precious lives will be saved.

So . . . combat complacency wherever you find it . . . tactfully . . . or if necessary, forcefully. Nobody dare be complacent when duty calls. And that duty is for every person to buy the forthcoming issue of Victory Bonds.

NATIONAL WAR FINANCE COMMITTEE

5-8

We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Pension Fund Refund

I am leaving the employ of a firm where I have been some years. During this time I contributed to a superannuation fund sponsored by the corporation. It is now planned to pay me a lump sum in satisfaction of my rights under the pension plan. How will this money stand as regards income tax?

Under the terms of section 3C of the Income War Tax Act as amended in Augt., 1942, one third only of the lump sum you receive is liable to income tax. The rest is tax free.

Sickness Insurance

I recently incurred medical expenses of about $275. This amount was covered by sickness insurance, I had. Is the insurance money I receive considered part of my income for the year and taxable? These medical expenses will exceed 5% of my income. Can I claim the excess as a deduction from income for tax purposes, seeing that it is covered by insurance?

The insurance money you receive is considered indemnity and not part of your income for tax purposes. Accordingly it is not taxable. It is also understood that in spite of the indemnity you receive as insurance you can still claim the excessive medical expenses over 5% of your income as a deduction for tax purposes.

Fire Insurance Premiums

I recently bought a house which I rent to another party. I carry fire insurance on it. Am I allowed to deduct the premiums from my income when making my income tax return?

Yes. Fire insurance premiums for insurance on buildings you rent to others are deductible from income for tax purposes.

INVESTMENTS

Okalta Oils

Please outline, briefly, earnings and working capital position of Okalta Oils together with the present status of operations.

Despite the great need of oil for war purposes, Okalta Oils profits, like those of most other Canadian oil producers, have not been running larger and were only $14,002 in 1942, equal to .8c. a share, compared with 1.5c. a share the previous year. Working capital, however, was more than doubled during 1942, amounting to $282,634 as at Dec. 31, 1942.

It is understood that Wartime Oils, a Crown company, is now assisting Okalta Oils in the drilling of wells, and it is possible that production and earnings may turn higher. The company has been participating in outside exploration of wildcat structures and this adds somewhat to the speculative interest of the issue.

Chemical Research

For some years I have held street certificates for several thousand shares of Chemical Research Corp. I have seen little on it recently and wonder if you could enlighten me on the present situation and the company's financial position.

According to the statement of A. W. Wallace, vice-president of Chemical Research Corp., in the company's 1942 report, recently issued, the company's sole asset is its stock in the Gyro Process Co. and its sole income is the dividends declared by that company.

A balance sheet as at Dec. 31, 1942, showed total current assets of $751, against total current liabilities of $74,588. The company has an authorized and issued capital of 800,000 shares.

In the company's 1942 report it was stated that:

"Both Gyro and Chemical have pending certain litigation designed to secure for them reparation by way of damages for illegal acts which have resulted in loss to them. Pending the determination of this litigation, Gyro Process Co. has not declared any dividends; therefore your company has not had any income during the year 1942. The progress of the litigation has been delayed by war conditions. We are endeavoring to get a final determination as quickly as possible. Meanwhile the business of your company is entirely quiescent."

Net loss for 1942 was $3,922. In addition to balance sheet liabilities the company has a contingent liability amounting to $94,860 for funds advanced to further the development of the Gyro process which is payable from earnings when received.

Springer Sturgeon

Does Springer Sturgeon Gold Mines own a gold mine? I would appreciate very much learning some details of the company's operations.

Springer Sturgeon Gold Mines was originally formed to develop a gold property but became an exploration and mining finance company when its own property didn't prove successful. It is now interested in barite and gold mining.

Through a subsidiary (Canadian Industrial Minerals) Springer Sturgeon is the largest producer of barite (used in the drilling of oil wells) on the North American continent.

Disturbed world shipping conditions resulted in almost complete cessation of barite operations during 1942, but this situation has been corrected and shipments of barite to Trinidad—the chief market—have amounted to 14,400 tons so far this year.

There is considered to be a potential market in the United States and South American oil fields as well as in Trinidad for barite, and it appears likely that further steps will be taken to increase output. It was reported recently that the barite mill has been stepped up from 100 to 182 tons a day.

No details of recent Springer Sturgeon earnings have been released, but it appears likely that they may be on a higher level, reflecting increased activity of the subsidiary.

In addition to controlling Canadian Industrial Minerals, Springer also owns 300,000 shares of Leitch Gold Mines from which a regular income is secured.

Catelli Food

I hold some of the preferred stock of Catelli Food Products and would like to have your opinion on this company and the security of the dividend.

Catelli Food Products Ltd. has, generally speaking, improved its position in the last few years. In 1940 the company hit a peak of earnings of $308,128. The following year there was a sharp falling off and in 1942 a recovery to $233,009. For the last four years the company has earned an average of over $1 a share on its common stock, but dividends were dropped in 1941, due to the desire on the part of the management to build up the working capital position. The drop in earnings in 1941 was due primarily to the company being forced to close down its canning department, owing to tin restrictions. However, the demand for its products has increased, particularly since meat rationing, and it is anticipated the report for 1943 will make better reading for the shareholders. The company has had no particular difficulty in earning its preferred dividend; in 1942 earnings available on the preferred amounted to $2.14 a share, as against dividend requirements of 75 cents a share.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

Copper Wire. M & S Order No. M.C. 13-B, Aug. 20, rescinds Order No. M.C. 13-A and lays down rules of procedure for purchasing copper wire and for its import into the country. Schedule "A," accompanying the order, provides a list of of authorized purchasers. Metals Controller, G. C. Bateman.

* * *

Sale of Gasoline. M & S Order No. Oil 12-B, Aug. 27, amends Order No. 12 in sections dealing with records from bulk stations and sale of gasoline without coupons being delivered. Oil Controller, G. R. Cottrelle.

* * *

Marking of Gasoline by Color in Saskatchewan. M & S Order No. Oil 12-C, Sept. 1, amends Schedule "D," Section 2 of Order No. Oil 12. Oil Controller G. R. Cottrelle.

* * *

Maximum Rentals for Hotel Accommodation. WPTB Order No. 316, Sept. 7, supplements previous regulations respecting maximum rentals for hotel accommodation. D. Gordon, chairman.

* * *

Manufacture of Crown Cork Closures for Soft Drinks. WPTB Order No. A-886, Sept. 17, restricts manufacture of the above caps to 100% of the number manufactured in 1942. The order concerns sales in Canada, and also regulates the materials to be used in the manufacture. Administrator of Metal Containers, L. F. Burrows.

* * *

Coal Delivery. M & S Order No. Coal 5-A, Sept. 16, amends Order No. Coal 5 and adds a section, number 10, giving priority of delivery of coal to users with less than one-quarter of a season's supply on hand. Coal Controller, E. J. Brunning.

* * *

Maximum Prices for Wheat Distillers' Dried Grains. WPTB Order No. A-890, Sept. 21, supplies a schedule of maximum prices for wheat distillers' dried grains and provides regulations for the charging of transportation costs, handling of records, invoicing and other matters. Feeds Administrator, F. W. Presant.

* * *

Real Property in Victoria, B.C. WPTB Order No. A-891, Sept. 23, provides for acquisition, by rental, of two Victoria properties by the Canadian Government. Real Property Administrator, R. S. Smart.

* * *

Transportation of Goods. WPTB Order No. 318, Sept. 20, revokes Section 4 of Order No. 121 and substitutes other regulations regarding the carrying of passengers in and the use of trucks. D. Gordon, chairman.

* * *

Conversion of Real Property. WPTB Order No. A-888, Sept. 20, permits conversion of two Toronto houses from single to multiple dwelling houses, with the approval of the City of Toronto, and provides certain conditions for such conversion. Real Property Administrator R. S. Smart.

* * *

Meal and Animal Products for Feeding Purposes. WPTB Order No. A-889, Sept. 24, amends Section 14 of Order No. A-680 and deals with transportation charges and their inclusion in cost prices. Feeds Administrator, F. W. Presant.

* * *

Maximum Prices of Fresh Peaches, Pears and Plums. WPTB Order No. A-874, amends Order No. A-850 by changing certain sections and revoking and replacing others. Administrator of Fresh Fruits and Vegetables, E. J. Chambers.

Argentina's Imports Can. Newsprint Drops

Argentine imports of newsprint from Canada in 1942 dropped to 43,877 short tons from 96,624 short tons in 1941, and her total imports of newsprint from all countries declined from 148,331 short tons in 1941 to 84,113 short tons in 1942, according to J. A. Strong, Canadian Commercial Attache at Buenos Aires.

Argentina, says Mr. Strong, does not produce newsprint, although some locally made paper has been used by newspapers at times recently, due to reduced stocks. There is a large domestic production of nearly all other classes and qualities of paper except the heaviest grade of wrapping paper, as used for cement bags, etc.

D. M. TURNBULL B. H. RIEGER

David M. Turnbull and B. H. Rieger, who have become directors of J. D. Woods & Gordon Ltd., Toronto firm of industrial engineers and management consultants. Mr. Turnbull is in charge of work simplification and staff training service; Mr. Rieger of marketing and distribution surveys.

Rails Ready for Postwar Transport Competition

S. W. Fairweather, CNR Research Head, Points to Coming Popularity of Light Metals and Diesel-electric Locomotives

Confidence that the railways can obtain a fair share of transport in the postwar world was expressed by S. W. Fairweather, vice-president of research and development of the Canadian National Railways in a speech delivered before the business conference of the Council of Canadian Purchasing Agents' Association.

Convinced that the railway will continue to handle the bulk of land transport after the war, Mr. Fairweather stated numerous studies had been made of cost of transport by rail, highway and air showing that for large volumes of traffic, cost of moving a ton of freight by rail a distance of one mile costs about a cent, whereas the same service by highway or air costs respectively 6 and 15 cents.

"As railways are the cheapest means of land transport, they will continue to constitute the backbone of land transportation," said Mr. Fairweather, who foresaw considerable competition of a healthy nature among the three forms of transportation.

The speaker, moreover, looked forward to a period of business prosperity in postwar years due to the demonstrated world-wide scarcity of both capital and consumers' goods, combined with purchasing power presently represented by war savings. "It may be expected, therefore, that the railway industry will be on an even higher level than at present, due not only to a relatively high volume of traffic, but also to necessity of replacing worn-out equipment and facilities and of making good all deferred maintenance of the property in all of its ramifications," said Mr. Fairweather.

As a result of technological improvements, such an accumulative saving in use of manpower and materials has been effected that the railway today is twice as efficient as during World War I: the same volume of traffic can be handled with about half the expenditure of material and labor required 25 years ago.

That further improvements may be expected was the conviction of Mr. Fairweather who thought greater use of light metals might be made in equipment construction, continuing refinement in steam locomotive design and extension of use of Diesel-electric locomotives.

Stating that freight traffic since outbreak of war had increased 80% and passenger traffic by 225%, Mr. Fairweather predicted that the railways will do everything in their power to retain under postwar conditions this resurgence of passenger business. To this end, they must render cheap and convenient service. Plans already are being made along these lines.

August Increase In Hydro Load

The monthly summary of loads just released by The Hydro-Electric Power Commission of Ontario records a total primary load of 2,154,350 h.p. served during Aug., 1943, an increase of approximately 30,000 h.p. over the Aug., 1942, figure.

Based on the maximum 20-minute peak horsepower load for the period, the summary portrays load conditions on all four hydro systems and the Northern Ontario Properties.

Combined primary and secondary loads served reached 2,292,875 h.p. during Aug., 1943, an increase of 6.7% over the total for the corresponding month of 1942.

Maximum 20-Min. Peak H.P.

Primary Loads:	Aug. 1943	Aug. 1942	% Incr.
Niagara	1,611,662	1,579,088	2.1
Eastern Ontario.	201,807	175,965	14.7
Georgian Bay ..	56,295	50,266	12.0
Thunder Bay ..	100,214	99,598	0.6
Nor. Ontario ...	184,372	220,353	−16.3
Total	2,154,350	2,125,270	1.4
Primary and Secondary Loads:			
Niagara	1,677,346	1,602,949	4.6
Eastern Ontario.	201,807	175,965	14.7
Georgian Bay ..	56,616	50,266	12.6
Thunder Bay ..	124,611	99,598	8.1
Nor. Ontario ...	232,495	220,353	5.5
Total	2,292,875	2,149,131	6.7

Security Sales Remain High

International Transactions Show Net Capital Import of $22 Millions

Statistics of sales and purchases of securities between Canada and other countries continued in July to show a high volume of net sales, amounting to $22 millions.

Canada's transactions with the United Kingdom resulted in a net purchase of securities. The July figure for the latter group was the greatest in two years, though still small in comparison with the volume of transactions with the U. S.

By far the largest amount of international security transactions are in bonds and debentures, mainly in the form of sales from Canada. These sales amounted to $24.6 millions in July, of which $13.3 millions were in Dominion Government bonds. Deducting purchases by Canadians of bonds from other sources these figures represent net sales of $19.8 millions and $12.6 millions respectively.

From total sales and purchases of securities between Canada and all other countries of $31.7 and $9.7 millions respectively, transactions in stocks amounted to $7.1 and $4.9 millions.

Sales of securities by persons in Canada to purchasers in other countries represent imports of capital, and the figure for net sales a net import of capital. Redemption of called or matured Canadian bonds are not included in the above figures, however, and for several years retirements of Canadian bonds owned outside of Canada have exceeded flotations of new issues by substantial amounts. This has resulted in over-all net capital exports and reduction in Canada's international indebtedness. The following table shows net sales and purchases of securities between Canada and all other countries.

Net Balances
(In millions of dollars; net sales marked (+); net purchases (—)

	July 1943	June 1943	7 Mths. 1943	7 Mths. 1942
Total ...	+22.0	+27.9	+121.0	+64.5
With U. S.	+22.0	+28.7	+124.8	+67.1
With U. K.	—1.2	—0.9	—4.8	—2.3
With other	+0.3	+0.1	+1.0	+0.3

Navy League Continues To Finance Sea Cadets

The Navy League of Canada continues to sponsor the Sea Cadets and is responsible for the financing of Sea Cadet operations, The Financial Post is informed. For some training purposes the Sea Cadets have come under the Naval Services, but this does not include provision of training quarters, etc.

In The Financial Post issue of Sept. 25, 1943, it was incorrectly stated that the naval services had taken over the Sea Cadet organization.

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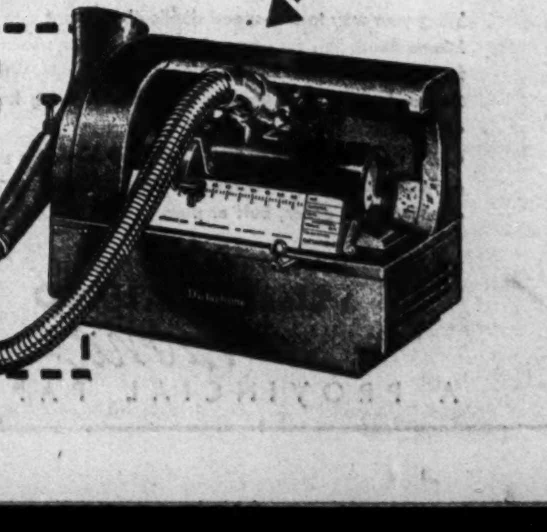

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PR-743

James Committee's Final Report to Come Soon

Expected to Mark End of This Group's Activities With Advisory Committee on Economic Policy to Carry on Postwar Planning

By STAFF WRITER

OTTAWA.—The final consolidated and elaborated report of the James Advisory Committee on Reconstruction is expected to be submitted to the government within the next two or three weeks.

Although no final decision has been made (or will be made until the report is received) it is expected that the report will mark the end of the James Committee so far as its general activities in the field of reconstruction is concerned.

There will still be a number of subcommittees which may continue to function until their individual reports are completed, notably the Housing Committee, chaired by Professor Clifford Curtis of Queen's University.

The James Committee was named some time ago as an advisory group reporting originally to Hon. Ian Mackenzie, Minister of Pensions and National Health, to carry on study and research in the field of postwar reconstruction. It gets its name from its chairman, Dr. Cyril James of McGill University and has carried on studies and research in many phases of postwar reconstruction.

The committee has reported on at least two occasions to parliamentary bodies as to its progress, and some months ago listed some 15 or 20 projects and studies which it had under way.

At the beginning of 1943, it was reconstituted to report direct to the Prime Minister. At the same time, chief responsibility for postwar planning and departmental co-ordination was given to the Advisory Committee on Economic Policy, chaired by Dr. W. Clifford Clark, Deputy Minister of Finance.

Since the James Committee is purely advisory, it is thought that once its report and recommendations are received, the chief responsibility for federal postwar planning will fall on the ACEP.

It is expected, however, that Dr. James will continue his work and interest in postwar development by association with another group reported to be planning to do a purely factual survey job in the field of industrial reconversion and postwar planning. This group has no connection with the Federal Government.

One important new development in postwar planning circles around Ottawa is the realization that the time has come when specific projects and proposals can no longer remain nebulous or secret.

The proposal for family allowances is a case in point.

Heretofore it has been the view in official circles that it was unwise to program and publish definite schemes such as this for fear they might distract from the war effort. Now, however, it is being realized that unless concrete proposals such as this are planned and made public as a matter of government policy, then the public at large will conclude no such plans are afoot and that to get such schemes it is necessary to oust the present administration and bring in a new government.

N. R. Crump — C. E. Stockdill — H. A. Greeniaus

Among staff promotions currently announced by the Canadian Pacific Railway Co. are those of N. E. Crump, Montreal; C. E. Stockdill, Winnipeg; and H. A. Greeniaus, Toronto. Formerly assistant to the vice-president, Mr. Crump has been made general superintendent of the Ontario district, with headquarters at Toronto. Mr. Stockdill, until now assistant to the vice-president, western lines, becomes assistant to the vice-president at Montreal, while Mr. Greeniaus, general superintendent of the company's Ontario district since 1941, has been appointed assistant to the vice-president, western lines, at Winnipeg.

FALSE ECONOMY

When you make or revise your Will, you may consider appointing a friend or a member of your family as your Executor with a view to saving expense in the administration of your Estate.

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A PROVINCIAL PAPER

Scotland Offers Big Postwar Market For Doors, Flooring

Heavy postwar demand for doors in Scotland is predicted by G. B. Johnson, Canadian Trade Commissioner at Glasgow, as Great Britain generally will need great numbers of new houses. Construction plans are now under way, execution of which will require large quantities of timber such as carcassing, flooring, etc. for dwellings with stone or brick walls, and also for many all-timber houses.

"Demand for ready-made interior doors," the report states, "will be correspondingly great. When housing schemes, many of them subsidized by the Government, were initiated after the war of 1914-18, imported doors of white pine came entirely from Sweden, while Pacific coast mills of the U. S. supplied doors of Oregon pine. Canada was not a supplier, apparently because Canadian mills could not compete with Sweden whose proximity to that country made cheap freight possible, nor with U. S. because of its cheaper mass production methods developed to meet the demand of an extensive home market. It is noteworthy, however, that a large and unknown proportion of the doors purchased at that time were manufactured in the United Kingdom from Douglas fir produced in British Columbia as well as in the United States."

"By 1934," the report continues, "change in the sources of supply of imported doors was noteworthy. In that year value of Canadian doors brought into Great Britain was £139,997 as against £1,584 in 1932. No separate statistics for imports into Scotland are published. During the year 1936, however, total imports of doors at the ports of Glasgow and Leith were 67,715, of which Canada supplied 51,750 or 76%. In 1937 imports into the same ports totalled 86,572, of which 80,485 or 93% were of Canadian manufacture."

Disposal B.C. Electric Co. Probed by Premier Hart

Provincial Government Ready to Finance Municipalities in Effort to Provide Cheap Electricity to Farming Communities

From Our Own Correspondent

VANCOUVER.—Consideration is still being given on the west coast to the proposed acquisition of the B. C. Electric Railway's assets and services by the cities of Vancouver, Victoria and other nearby municipal communities, although it is expected that some time will elapse before a definite decision is reached.

Meanwhile Premier John Hart has gone East, and in Toronto plans to confer with four representatives of B. C. Power Corp., holding company for B. C. Electric. One of the representatives will be a spokesman for British shareholders of the west coast utility corporation.

(Eastern financial interests confirm the conference but assure The Financial Post there have been no negotiations regarding sale of the property.)

The provincial government is not itself interested in the proposed deal beyond readiness to facilitate the municipalities to "swing" it, should they decide to go ahead. This might be in the form of financing as the provincial government is naturally in better position to shoulder such a responsibility than are the individual municipalities working alone.

The Government is said to favor creation of two public utility boards—one for the mainland and one for Vancouver Island—should the B. C. Electric be taken over from private hands. The two boards would operate along the lines of the Ontario Hydro. Such a policy would also conform with a program for rural electrification which the provincial government itself is sponsoring with a view to producing cheaper power for the farmers.

A Start is Made

So far, there have been only tentative approaches by the Government and the municipalities, although there has been a good deal of discussion. Mr. Hart held a brief conference recently with W. G. Murrin, president of B. C. Electric, and A. T. Goward, vice-president in charge of the company's Vancouver Island operations.

It was announced recently that the company is preparing to go ahead with further development at Bridge River. Mr. Murrin told Premier Hart that while the company would prefer to operate and develop the services now maintained it had no objection to naming a committee to discuss the proposal with the Premier.

Because of the current political situation in B. C. the attitude of the CCF, as expressed recently by Grant MacNeil, M.L.A., is interesting.

"Low cost power is a basic requirement for new industries," stated Mr. MacNeil. "British Columbia has a hydro-electric potential of eight million h.p., of which less than one million is under development. This province must plan in terms of development of large blocks of power for industrial use and rural electrification, with an interconnecting system and a low mass consumption rate.

"The obstacles are not insuperable toward the duplication on a smaller scale in this province of that which has been accomplished under the Tennessee Valley Authority. The production of power at a low mass consumption rate under the TVA almost immediately brought into that area over 700 new manufacturing establishments providing employment for 40,000 workers.

"Preliminary surveys in British Columbia indicate that one million additional h.p. can be made available for industrial uses at tidewater. This would facilitate the production of tool steel for general demand, and mild steel for the maintenance of shipbuilding at the coast under the most favorable conditions. Here is a crucial area, calling for public planning and public enterprise."

Kinsmen Initiate "Shell-out" Stunt

On Hallow-e'en Night, October 30 next, Canadian children will participate in a unique "Shell-Out" campaign under sponsorship of the Kinsmen Clubs of Canada and Newfoundland, and with the co-operation of the public schools across Canada. As usual the children will dress up in their funny clothes and ring door-bells and shout "Shell Out." But instead of candies, nuts and other treats handed out by good-natured homeowners, the Canadian youngsters will collect Milk-for-Britain tickets that have already been purchased by householders earlier in the week.

Later the children will gather at their own schools to turn in their tickets, perhaps collect prizes and have a party provided by the Kinsmen and Kinettes. Best of all, the guests will be children in war hospitals, nurseries and the little waifs and strays of England, Scotland and Wales.

Canadian National

Higher operating and net revenues for August are reported by the Canadian National Railways. During the month, income advanced over \$5.2 millions, while expenses were up nearly \$4.4 millions, leaving net income at \$9 millions, or 10.8% above the same month a year ago.

As a result of the improvement in August, cumulative operating revenues for the first eight months of the current year totalled \$290 millions. This represented an increase of \$53 millions over the like period a year ago, against which increased operating expenses absorbed \$44.3 millions. Net revenue for the period at \$62.6 millions was \$8.7 millions greater than a year ago.

August	1943	1942
Oper. revenue ...	\$39,687,000	\$34,419,000
Oper. expense ...	30,625,000	26,241,000
Net income	9,062,000	8,178,000
Eight Months Ended August		
Oper. revenue ...	\$290,003,000	\$236,967,000
Oper. expense ...	227,310,000	183,038,000
Net income	62,593,000	53,929,000

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Overseas, as at home, it's the little things that make friends for our Canadian soldier. He shares his home-ways with those he meets. Coca-Cola, for instance. When he meets up with "Coke" abroad, he meets an old pal. *Have a "Coke,"* he says to a stranger, and he's made a new friend. From London, Ontario to London, England, Coca-Cola stands for *the pause that refreshes*—has become the mark of friendliness.

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THE COCA-COLA COMPANY OF CANADA, LIMITED

567

Salvation Army Shares In United Welfare Funds

Among the organizations to receive funds through donations to Community Welfare Funds, in communities where these have been organized, is the Salvation Army, whose varied activities in religious and social welfare work are well known.

One of the most important branches of the Army's work is helping convicts and their families. Clothes, food and assistance are given to men getting out of jail, and employers are approached on their behalf. In many cases men and women are given into the care of the Army instead of being sent to prison. There were in the past year 1,502 cases of this kind and 2,662 persons were restored to their homes or to employment after leaving prison. During their term in prison men are visited, religious services held. Thousands of periodicals are distributed.

League of Mercy

Besides their prison work, the Army's League of Mercy visits hospitals, sanatoriums and private homes. Over 200,000 persons have been so visited in the past year.

In a more material way the Salvation Army gives help in many fields: with its general and maternity hospitals for women; its homes for aged men and women and boys and girls; its summer camps for children from ill-kept homes. In its hospitals the Army admitted 21,250 patients in one year in Canada, and in more than a year only one maternal death was recorded in 1,800 births at Toronto's Grace Hospital.

Repair Service

Important in the work of rehabilitating men thought unfit for work, and also in providing free or at low cost much clothing, furniture and other goods to persons not otherwise able to afford them, are the Industrial Centres of the Salvation Army. A regular service for the collection of worn and discarded materials and goods is maintained. These things are repaired and put into service.

Another service given by the Army is the location of missing persons. A remarkable record of 434 found out of 764 enquiries has been achieved.

New Augarita Porcupine Mines has instituted a diamond drilling program to test a belt of sediment lying between greenstones in the northern portion of the property. The drilling is being carried out under the supervision of V. A. James. Emerging from its inactivity of the past three years the company is reported to have a substantial sum of money in the treasury and financing is continuing.

INCENDIARIES are not the only means of devastating attack — the weather is constantly weakening the defences of your plant—laying a sun, rain and ice barrage of terrific intensity. Unexpected delays and damage follow quickly upon roof failures.

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Thus is security assured for Murray "Registered Roof" owners. But, even if yours is not a Murray roof this inspection service is available without cost or obligation. Telephone or write our nearest branch office and we'll send an inspector to check the condition of your roof and advise what precautions, if any, should be taken.

43-4

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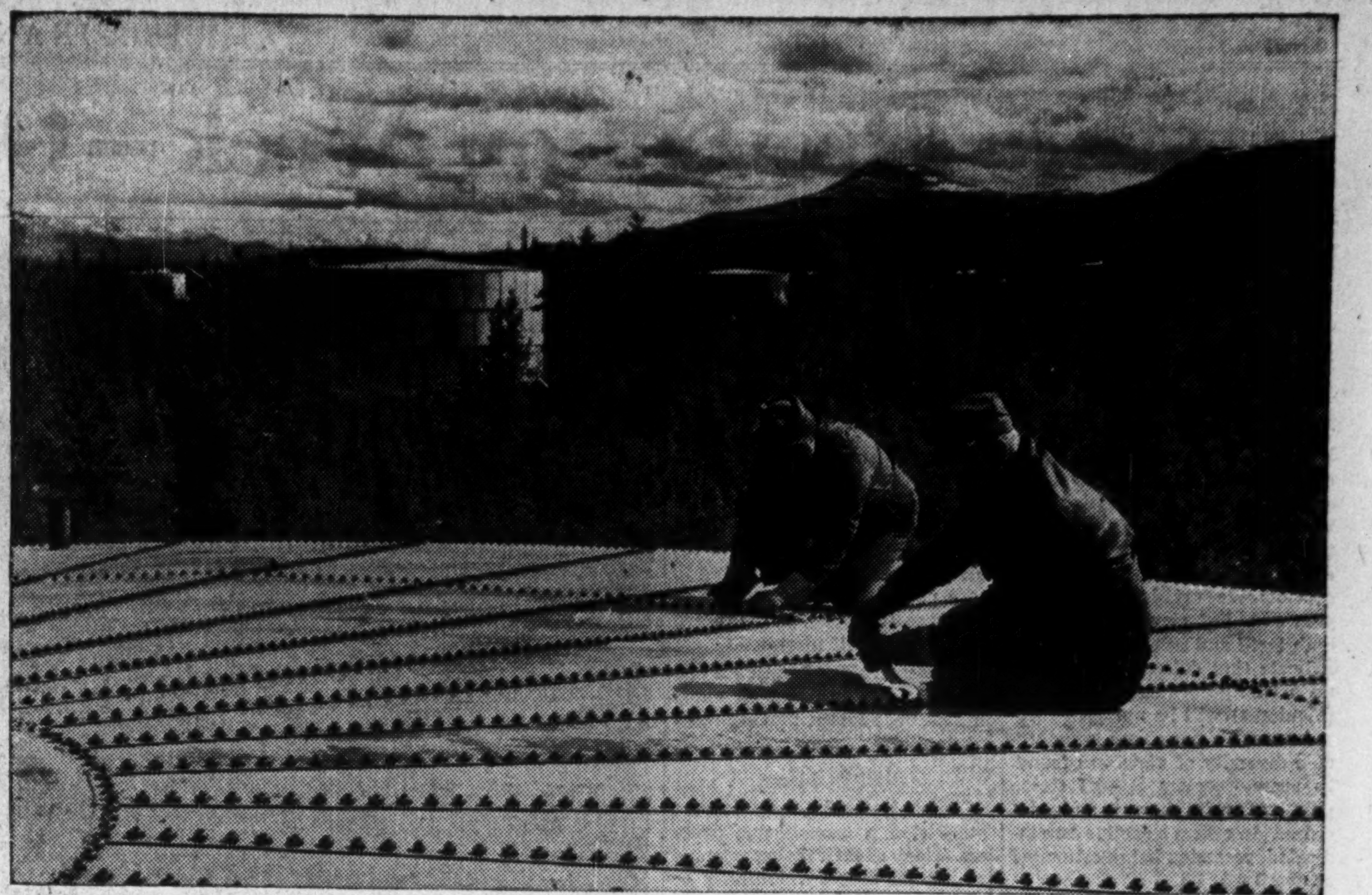
THE FINANCIAL POST

Canada's Foremost Business Newspaper

Toronto, October 2, 1943



Whitehorse sees a fine future for the community because of the refinery now building to handle the crude that will be piped over mountain and muskeg from Norman Wells. Workmen here work on giant storage tanks for an oil tank farm.

Our Boom Metropolis On the Road to Tokyo

Whitehorse is Now Swollen to Many Times Its Prewar Size — Its People Like the Future They See Ahead But Are Troubled About the Present — Demand Grows For Local Self-government in Place of "Remote Control"

By RONALD A. McEACHERN
Editor, The Financial Post

WHITEHORSE, Y.T. — Unlike most other communities up in this part of the world which are dreaming and wondering about their postwar future, Whitehorse now has a pretty definite picture of what it sees ahead for itself.

That future depends on the big oil refinery now under construction here to process the crude to be piped over the 550 miles of mountain and muskeg from Norman Wells oil fields over on the Mackenzie River.

Before this war Whitehorse was a historic village with a normal population of around 350 in winter, 650 in summer. Its main business support was in supplying a large, if very sparsely populated, countryside, in helping run the White Pass & Yukon railway which runs the 110 miles to Skagway and the river boats which run the 450 miles to Dawson.

Multiplied by Ten

But with the refinery, Whitehorse sees a steady and necessary population of at least 3,000. More than 1,000 will be engaged at the refinery, a local official estimated. The new airport, already vast and still being enlarged, will inevitably remain one of the key points on this global air route of the northwest. More people will be engaged there.

The Whitehorse folk think they are being only modestly optimistic when they say their postwar population will be around 3,000. Indications at present are that they are correct.

Right now, of course, Whitehorse is the swollen, troubled metropolis of the Canadian northwest.

Its entire present population is a military secret because of the troops involved, but the best-sourced estimates I could get were that civilians now in Whitehorse and in the surrounding territory total over 20,000.

They are the construction workers on the Alaska highway, the airport, the refinery. They are workers in the vast machinery required to keep projects like these in operation.

Tremendous Airport

After watching thick bush and softly rolling mountains pass below hour after hour at about 3½ miles a minute, the airplane traveller's first view of Whitehorse suggests a throbbing metropolis. The airport is tremendous; runways are more than ample for the biggest, heaviest laden craft. But pilots with gay fatalism josh each other as to who will be the first to overshoot the field, toboggan slide into the town garbage dump, and splash into the river.

The RCAF station is in command of Ellsworth Rogers, the quiet, handsome flyer of the last war who helped make his family name famous in Canadian radio.

Diplomatics are a big part of his job here. The RCAF is in charge of the air field. RCAF men run the radio control tower, tell planes if, where and when they may land. But building of the field, its development and the servicing and fueling of planes which land at the field is done by the U. S. Army under intergovernment arrangement.

There are many, many more times the number of American armed service personnel in the area than there are Canadian, and the Americans are doing the big works. But Squadron Leader Rogers is officially the armed service top dog.

His executive experience, gracious manners and brains have undoubtedly had a great deal to do with the warmth of feeling and smoothness of co-operation which exists between Canadians and Americans in the area.

Prewar Whitehorse had 350 people in winter, 650 in summer. It had no sewers or watermains; no municipal organization. Today Whitehorse is the centre of a district having more than 20,000 population and is fast becoming an oil town. It is the terminus of the 550-mile pipe line from Norman Wells, NWT, and a modern oil refinery is nearing completion.

Such changes have meant growing pains but these have been eased by readiness of the U. S. Army to provide generously for both its own thousands of personnel in the territory and for the civilians. Whitehorse people are working on a municipal organization; feel themselves neglected by the Yukon territorial government.

Behind the RCAF station, Whitehorse spreads out to the fast-running river Lewes.

In a grove is the big American encampment—wooden huts, some summer-resortish log cabins, some Quonset huts (the semi-circular barracks built out of corrugated steel sheets—and superbly comfortable inside). Beyond are the simple homes of Whitehorse citizens.

Across the end of the main street and the one of two brief business streets is the railway station of the White Pass & Yukon Railway, caustically termed by some of the residents the "Wait Patiently and You Ride."

River vs. Steamer

Over to the left, behind the station, is the feathery smoke from the big stern paddle-wheel steamer that rushes downstream to Dawson in two days; which fights its way back up the swiftly moving river in four or five.

Big, comfortable and gleaming in fresh paint and brass polish, the stern-wheeler Aksala remains stern-wheelers like the Aksala remain a vital link in the freight and passenger traffic of the north, and river steamboating of this kind will long attract tourists.

Whitehorse, up until the American invasion, took its past fame in song, story and adventure quietly. It had a few really well-to-do families, but for the most part conducted itself like the ordinary Canadian village of its size.

Water 6c a Pail

Most homes had outdoor privies and a backyard well. Enough homes didn't have a well to support one enterpriser who had the only team of horses in the village by buying from him their entire water supply at six cents a pail.

The board sidewalks served the inhabitants very well and there was no need for stop signs on the main village corners.

A volunteer fire brigade with a hand pumper performed with high ardor and a satisfactory degree of efficiency when things caught fire.

The district office of the RCMP was busy looking after legal problems in a surrounding Empire of Wilderness and did the Whitehorse task with an occasional flick of its left hand.

A "zombie existence" for Whitehorse didn't much matter. Legally, the village doesn't exist. It has no local government. The Yukon is a territory and things are run from the capital, Dawson.

And finally, before the American invasion, putting the government liquor store in a corner of the mining recorder's office was entirely adequate even for the fairly stout needs of these sub-Arctic dwellers.

A Municipality Begins

Today, Whitehorse likes the look of its future but it is troubled about its present. A group of Whitehorse businessmen have just organized — the first such organization in the community's history — to see that out of the problems of today come at least some of the results they want for tomorrow.

The American invasion — sudden and overwhelming—naturally brought mighty problems both for residents and visitors.

For the visitors, the village community had too little or nothing of almost everything.

For the invaders, its water and sanitary facilities were not only inadequate but suddenly menacing.

The U. S. Army promptly went ahead and built sewers and sewage disposal arrangements; set up a water system which brings in and treats water from a source miles outside. Some Whitehorse streets are still torn up because of these projects.

Many citizens believe that if Whitehorse had a corporate existence; had any government of its own or any official that could act on behalf of the citizenry, a deal could right now be made with the U. S. Army letting Whitehorse homes and business places tie into the U. S. Army sewer system.

Will Plumbing Stay?

Meanwhile Whitehorse residents cling perforce to their traditional facilities. But their big concern now is this: When the U. S. Army goes, will the water and sewer systems go with them? Even if the water and sewer system stays, how will Whitehorse folk be able to make use of these unexpected luxuries?

Probably nobody at Ottawa or at Washington or at the territory capital knows the answer. But Whitehorse folk are determined to prevent any slip-up. They want their own village government. They want a corporate existence so they can be ready to make a deal with the U. S. Army, take over its facilities and make them useful for Whitehorse citizens at lowest possible cost.

Their comments may have been exaggerated or unfair, but from several Whitehorse citizens I heard the most caustic comment about the remote control government they got from Dawson; how neglected and run down their town was, compared with the territory capital which was constantly under the watchful and favorable eye of officialdom.

Banking Business Booms

Just organized and intent upon action is the Whitehorse Men's Council — the town's first organization devoted specifically to local improvement. Members include local merchants, hotelmen, wholesalers, railway men, representatives of Canadian Pacific Air Lines and of Pan American Airways and professional men. Elected president was A. E. Hardy, manager of the local branch of the Canadian Bank of Commerce. For years a total staff of two handled the job. Now there are 12. Line-ups in front of the bank are almost as long and are more frequent than in front of the liquor store. Inside, the harried bank staff works long after dinner more nights than it doesn't.

About $1 million a day is being spent in the area served by the bank, and with high wages and nothing on which to spend the money, bank business is enormous—at the moment.

I have given one example of the sort of problem the Men's Council is discussing, hopes to solve—the problem of the town's corporate existence. Here's another.

Fire-Fighting

In addition to its own hand pumper station and its volunteer firemen, Whitehorse now has two very fine fire stations, each with hose tower, a couple of modern fire-fighting trucks and living quarters for firemen.

Because anybody's fire threatens everybody's property in this windy and wooden town, the U. S. Army fire brigade tends anybody else's fire.

Whitehorse citizens like that fine. At least one of these firehalls they hope to be able to get after the war.

Talking with one U. S. fireman, this writer got one new slant on this aspect of Army life.

My fire-fighting informant confided that he thought he had as good a job as there was in the Army. His duty was 24 hours on, 24 hours off. Since he could usually get a good batch of sleep during his 24 hours on, he was able on his off-duty hours to make soldier's pay swell by working on a construction job down the street at laborer's pay of $1.10 an hour. He thought it was grand.

RCMP Duties

The Whitehorse office of the RCMP is now a bustling hive of activity with the red-coats busy with hundreds of problems never anticipated in this part of the world.

Main unchanged thing around the police station here is that prisoners still get a spate of exercise in the backyard cutting the forests of firewood needed for the long winter.

American military police travel Whitehorse streets in pairs and look after the frailties and frivolities of American troops and civilians. I have it from both police forces, Canadian and American, and from Whitehorse residents, that everybody is happy the way this joint law enforcement works out.

Disappointing though this may be to lovers of high adventure and low rowdy-dow, Whitehorse is today a dull and prosaically well-behaved city—for all of its vigorous history, the loud and determined figures of its storied past, the youthful, adventurous and relatively rich members of its invading army, civilian and military.

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The Liquor Situation

The Sahara-like quality of its liquor supply is generally given a good deal of the credit for this remarkable condition of convivial continence. But certainly the mass of the community disports itself almost solely on cokes, varied soft drinks, and unrationed, hence plentiful and strong, tea and coffee.

As a territory, normal Canadian rationing does not apply in the Yukon or the North West Territories. The reason is that rationing would work dangerous hardships on people who live in the wilderness; who buy their supplies perhaps only once or twice a year, and whose mode of life means their purchases will in any case be modest and necessary for the hardships of their existence. Another reason is that administration would be more trouble than the saving would be worth.

"Never was so much done by so many on so little" is the local summation of the alcohol situation.

Contractors and military authorities are very ready to give the severe liquor shortage a big part of the credit for steady work and generally good behavior of the working armies.

Before the war Whitehorse had no traffic problem. Its three motor vehicles disturbed neither the populace nor each other. With the invading Americans came hundreds of jeeps, carryalls and trucks of a score of varieties.

Stop streets and traffic regulatians became an immediate need. Police could put up stop signs but nobody need pay any attention; could sail through and tell offended police to go run up the hill.

This is another problem of territorial government and of Whitehorse having no corporate existence. The matter was finally solved by appealing to Dawson officials; having them legislate appropriately for Whitehorse street corners.

Whitehorse before the war had an electricity system but it had enjoyed no building boom. Regulations covering electric wiring were described to me by one resident as "pretty casual." Here is some more legislation Whitehorse wants to get from Dawson.

A main street view of Whitehorse, which hopes to inherit the waterworks system constructed by the American Army. Before the war, a village of 350, it is now community centre for over 20,000.

An active and much esteemed local health officer, Dr. F. B. Roth, was prompt to meet one new danger by getting legislation giving control over the health of persons handling and serving food to the public.

In general, Whitehorse health has been remarkably good, considering the impact war has had on it. I am told there has been a little dysentery; nothing more.

And the wartime situation has probably helped a good deal in getting the new wing to the Whitehorse hospital. It now has 35 beds, nice new quarters for the nurses, greatly improved working quarters for doctors and a new X-ray machine.

Here the whites walk or get carried upstairs. Indians have the main floor rooms and wards.

Prices Are Controlled

Sure, Whitehorse prices are high. They always have been because of isolation. A simple restaurant meal is very likely to cost to $1.20. But branded men's suits for instance are only a few dollars more than near the factories in eastern Canada.

Very helpful in protecting the price ceiling is the fact that most of the influx of population is provided with food, housing and basic essentials by the employers. The U. S. Army and construction contractors have their big camps with vast barracks and mess halls, which mean that the visitors cut in on town supplies only for odds and ends.

Whitehorse seems to be as law abiding on price control as in other respects. A main street barber who raised his prices from 75 cents to $1 got such a solid fine that the community is very price control conscious. And perhaps a few more such reminders won't be long in coming.

Post Exchanges

U. S. Army Post Exchanges are very popular with U. S. troops—and for a brief time were popular with some civilians. Now only the troops are their friends and merchants don't appreciate them at all.

These are Army run stores which sell a wide and remarkable variety of merchandise — from motion picture cameras to costume jewellery; sleeping bags and shaving soap to chocolate bars and cigarettes — above all cigarettes. Purchases here are limited to soldiers but the Post Exchange or PX cigarettes sell at 50 cents a carton or four cigarettes for a cent. Whitehorse residents are sniffing at visitors' tax-free Luckies, Camels, Chesterfields and so on pretty enviously.

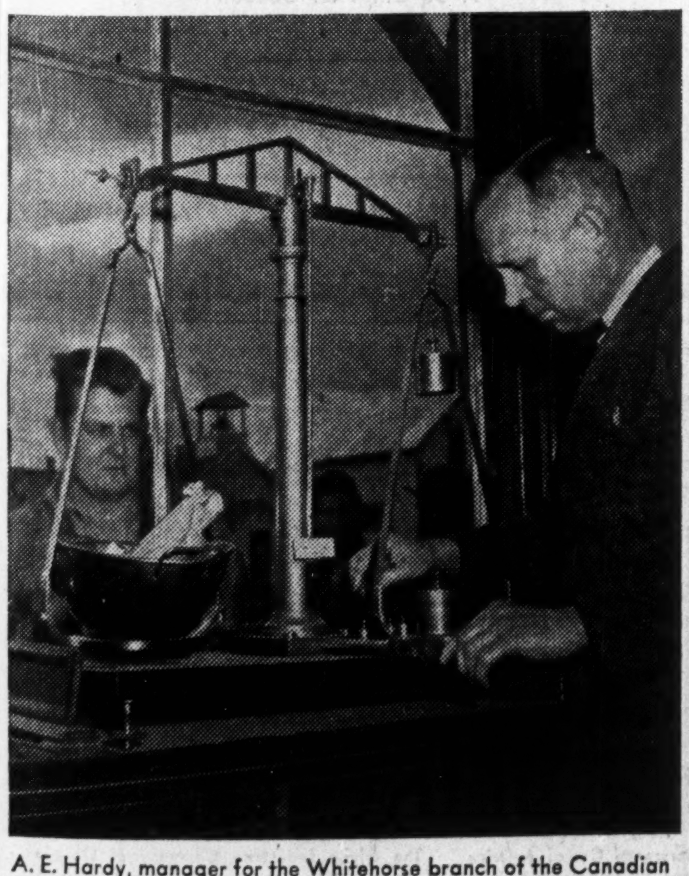
Canadian troops in the area enjoy PX privileges equally with their American comrades in arms.

Being a key way station in the strategic works of the northwest is naturally gratifying to local pride. But Whitehorse isn't misled by the present torrent of prosperity.

They are much interested in what an unusually large number of prospectors will find in their explorations. Ranging over this part of the Yukon this summer are some famous Canadian prospectors and geologists acting for well-known Canadian mining enterprises.

But they are much more interested in their new oil refinery, and if, far over the mountains in the Mackenzie River, enough oil will be developed to give them this valuable and permanent industry.

That Whitehorse has nothing to worry about in this respect for a considerable time to come is all the censors will let me say. As for longer than that, the only answer will be in success of drilling and exploration work. As for that, the most the experts can say is, "It looks awfully good."



A. E. Hardy, manager for the Whitehorse branch of the Canadian Bank of Commerce, here weighs gold in the big brassy set of scales which are so closely linked with Yukon history. War has raised the bank staff from two to 12. This one branch serves an area in which an estimated $1 million a day is being spent.

Fire Prevention Week—October 3-9

Fire Insurance Losses Estimated Above 1942

Fire insurance losses this year will be somewhat higher than in 1942 according to opinions gathered from a number of company executives by The Financial Post. With three months of the year still to go it is realized, of course, that current estimates are subject to considerable revision before the year end. But views expressed in both tariff and non-tariff quarters indicate that dollar loss and loss ratio (the percentage of losses to premiums) will be up.

As regards premiums, considerable diversity of view was found. In some quarters it was stated premiums were showing a nice increase. In others a decline was indicated, recession being estimated at about 5%.

One factor mentioned as tending to increase premium income was the higher value of materials and buildings with the knowledge that replacements might be exceedingly difficult to obtain. This situation has made many property-owners anxious to increase their insurance protection it is claimed.

Lower Premium Income

On the other hand, a number of factors were noted as tending to lower premium income. Among them was reduction in stocks of non-essential goods in the hands of merchants and manufacturers. This reduces their needs for insurance to an extent which the increased value of remaining materials does not offset.

Then, too, rate reductions have an important effect. On residential properties, rates are about 10% lower. This materially affects total income.

A third development is adoption of the new Ontario minimum tariff by companies in the Canadian Underwriters Association which, in addition to simplifying the rating system, has resulted in lower premium rates for such risks as retail stores, etc. While this is expected ultimately to result in increased income owing to more people taking advantage of the cover, the result in the meantime is to curtail income.

Increased value of materials and buildings also has had an effect on insurance losses, making these substantially higher.

Staff Problems

Companies during the year have found staff a considerable problem. Many of their male personnel joining the forces voluntarily or by draft have left the offices shorthanded. A larger proportion of women are being used on the whole with satisfactory results. In some jobs such as inspection work, a special problem has existed because women are not always suitable for the work required. An example of this is the type of work done by the engineering departments of the underwriters associations and large company and agency organizations where college-trained engineers are required.

But for the general type of work women have met the requirements much better than was thought possible before the war.

Agents have been affected in much the same way as companies. But whereas the companies have had to make good their own staff shortages, the agents can fall back on the companies, which it is claimed has added materially to the latter's labor problems.

It may have been accident, it may have been sabotage, but this fire in one of New Jersey's largest chemical plants helped the enemy by destroying vast quantities of materials needed for war production. In Canada, too, fire plays its part in slowing down production. Last year it accounted for over $31 millions property damage, took 304 lives.

Fire Prevention

Don't Let Fire Aid the Axis

Fire Prevention Vital in Keeping Tanks and Planes Rolling

You cannot fight a war with the ashes of burned factories or homes.

Yet in 1942, with Canada straining every nerve and muscle to protect her own shores and battle the enemy overseas, to supply materials and equipment for her Allies, over $31 millions worth of Canadian property and 304 Canadian lives were destroyed by fire. This was the largest property loss since 1933, the accompanying loss of life exceeded only twice during the last decade.

And the trend in 1943 is estimated to be still upward.

Figures for the four years since declaration of war are even more alarming. During that time while no incendiary bombs have been dropped in Canada and no invasion attempted, records indicate that approximately $115 millions of property have gone up in smoke and 1,133 lives lost.

Surprising Complacency

Had this, or any substantial part of it, been accomplished by Axis forces, it would have been regarded as a calamity. But the surprising thing is it was in no way caused by enemy activity but was mainly due to carelessness or indifference. It is generally estimated that about 90% of the fires that occur in Canada are preventable. Accordingly almost $100 millions of the property loss and nearly 1,000 lives would have been saved.

The situation presents a challenge to every Canadian, all the more compelling because the country is at war. Fire is still one of the most effective weapons in warfare and it makes no difference whether a blaze is caused by enemy operation or by carelessness: the effect is the same.

Total war, requiring all the economic resources of a nation, puts a strain on the productive resources of the country. Recent Allied successes have been due in large part to the continuous flow of war materials and supplies that have been coming off production lines in recent months. In spite of the indomitable spirit and courage of the people an interruption in output of tanks and trucks, airplanes and ships can seriously affect the course of the war. Fire is one of the greatest hazards which can interrupt production and have the most serious result on the course of the war. Every fire in Canada is an obstacle to the invasion of Europe.

Three Main Causes

There are three main causes of fire: enemy action, including sabotage due to secret enemy action; ordinary incendiarism; and mischance or accident. That fire losses, while serious, have not been greater is due to precautions being taken against all three possible causes. Accordingly, in spite of Allied successes there can be no let-up in fire prevention efforts but rather increased activity. The threat of fire is ever present and the price of safety is eternal vigilance.

So far open enemy hostilities have not been a factor.

Due to the operations of the fire prevention officials, the proportion of incendiary fires is relatively small. But there is no saying when enemy agents will become more active. The more the tide of battle turns against the Axis the more desperate are its agents likely to become. Property owners, therefore, must be on guard to eliminate any conditions that may encourage their operations. For this reason, every person on factory or warehouse premises should be carefully investigated.

Ordinary incendiary fires may be caused by disgruntled employees, personal enemies of the employer, and like characters. Here, too, careful scrutiny of everybody about the premises will help to prevent fires being set.

Fires due to mischance are the most difficult to guard against. Householder and industrial employer, therefore, can serve the national interest by being eternally on the alert.

War has brought about some conditions that make fire prevention more difficult. For example, difficulty in getting metal boxes, cans, etc. has caused more people to use wooden boxes as containers for ashes—a particularly bad fire hazard. Then too, new employees are working around many industrial buildings. Many of them don't realize the danger of fire; may not be conversant with the location of fire alarm boxes, fire fighting equipment or its use; may be so rushed with work they don't take time to guard against fire.

A London blazing from fires set by incendiary and explosive bombs aroused consternation throughout the world. Facts and figures of the fire prevention officials and companies in Canada, however, showing that $31 millions of Canadian property went up in smoke in 1942, have for the most part stirred little reaction. Of further significance is the fact that, as this article points out, 90% of fires in Canada are preventable. With the object of assisting the home and factory owner in guarding against fire hazards, an informative list of do's and don'ts is herewith set forth.

Despite the difference in their situations there are a good many precautions both householders and industrialists can take to prevent fires. Some of these are listed as follows:

Prevent accumulations of debris, rubbish and unnecessary materials in attics, cellars, backyards, warehouses, storerooms, etc.

Where it is necessary to keep stocks of goods or piles of material, make sure they are piled in an orderly, tidy way. This makes it easier to fight a fire if one should occur.

Install such fire fighting equipment as may be considered necessary by the municipal authorities or your insurance man. Consult with them both frequently. They know what are fire hazards and the best means of protection.

Inspect regularly all premises where a fire might occur.

Keep matches and readily inflammable materials out of the reach of children.

Industrialists are advised by fire prevention officials to:

Keep close check on all persons entering the premises and exclude those doing so without authority.

Make sure that approaches to fire hydrants, fire extinguishers, etc. are kept open and that fire fighting equipment be readily admitted to the premises.

Check all fire fighting equipment carefully to ensure that it has not been interfered with.

Inspect all packages coming in.

Make sure that supplies of oil, gasoline, explosives, etc. are segregated and kept so that risk of them causing fire is reduced to a minimum.

Drill employees regularly on what they should do in case of fire. Make sure they know where fire fighting equipment is and how to use it.

Have the premises checked regularly to see that the building is being kept abreast of the times in fire fighting construction equipment etc., such as installation of fire doors and fire stopping walls.

Property owners will find their insurance companies ready to cooperate in fire prevention. Their engineers have made a special study of the matter and can see at a glance fire hazards which the layman might never discover until too late.

In houses and schools great care can be given to educating children in fire prevention.

Manitoba Has Lowest Per Capita Fire Losses

Manitoba in 1942 ousted Saskatchewan from her place as holder for the 10 years previously of the lowest per capita fire loss among Canadian provinces. Manitoba's per capita figure in 1942 was 89 cents, substantially lower than the $1.68 established in 1941.

Saskatchewan from a per capita loss of 94 cents in 1941 slipped down to show a figure of $1.08 in 1942. Four big fires with losses of more than $50,000 each contributed to the result. These fires and losses were:

Wynyard— garage and liquor store, $92,141; Drake—elevator, $56,963; Saskatoon—grocery warehouse, $54,404, and Hazlet— elevator, $53,567.

Although having lost her lead for the year, Saskatchewan still stands second among the provinces for the low per capita loss record, her five-year average, moreover, being well below that of any other province.

Highest loss on a per capita basis was $3.38 shown by both Nova Scotia and Quebec. In each of these provinces there was a substantial number of large fires with losses over $50,000. These are found in another column showing large fires in Canada during 1942. Quebec had three fires with losses in each case exceeding $250,000.

Comparative figures for the provinces follow.

Provincial Fire Loss Record

	Total 1942 $	Per capita 1942 $	5-year average $	Per capita 5-year average $	Per capita 1941 $
Alberta	1,565,186	1.97	1,444,518	1.81	2.35
British Columbia	2,523,813	3.09	2,067,028	2.52	2.02
Manitoba	643,476	.89	947,698	1.30	1.68
New Brunswick	1,413,867	3.10	1,347,677	2.95	5.18
Nova Scotia	1,953,561	3.38	1,621,426	2.80	2.70
Ontario	10,679,029	2.82	8,965,282	2.37	2.32
Prince Edward Island	164,282	1.73	187,576	1.97	2.66
Quebec	11,270,763	3.38	9,181,292	2.75	2.90
Saskatchewan	968,261	1.08	735,922	.82	.94
Total	31,182,238	2.70	26,498,419	2.30	2.46

WHAT DO YOU DO TO PREVENT FIRES?

Of course you are careful in the handling of anything that could cause a fire — your extinguishers are handy and you have memorized the firehall telephone number. Here is one other important way you can help prevent fire — at no cost to yourself. Make sure that your fire insurance is placed with a Board company such as those of the Great American Group. Then you know that every premium dollar you pay not only protects you against financial loss — but supports continuous research to prevent fire from occurring.

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Fire Prevention

A National Duty

Now more than ever before it is of vital importance to stop the colossal wastage that fire brings in its wake. Canada needs all the time, all the labour, all the materials at her disposal for an all-out war effort. That effort must not be impaired by negligence or carelessness . . . factors that contribute so largely to the country's large annual fire toll.

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Fire Prevention

How Urban Fire Losses Stand

St. James, Man., Has Best Showing of Large Municipalities

Banner for the lowest per capita fire loss in Canada in 1942 among municipalities with populations over 10,000 goes to St. James, suburb of Winnipeg. The St. James figure of one cent per capita is substantially lower than the five cent level established by Etobicoke Twp., Ont. for 1941 and also lowest for any municipality in Canada for many years.

Etobicoke's per capita figure in 1942 was $1.18.

Other low per capita losses in 1942 were East York Twp., Ont., at 12 cents and Stratford at 21 cents. In both cases a substantial improvement was shown over the previous year, 1941 figures for East York being 15 cents and for Stratford, 59 cents.

Other low per capita losses in 1942 were: St. Thomas, 29 cents; Brandon, 36 cents; and Brockville, York Twp., Ont.; Regina and Eastview, all with a per capita loss of 37 cents.

Highest Losses

Highest per capita fire loss was shown by Sorel, Que., with $41.75. This compared with $3.17 last year. The high loss in Sorel was largely due to a big fire which destroyed stores and miscellaneous buildings valued at $389,944. St. Jean, Quebec had the second highest per capita loss at $16.29, with Jonquiere at $12.27 coming third. In both cases the figures showed big increases over last year. A factor in the Jonquière total was a fire in which stores and dwellings valued at $73,483 were destroyed.

Fire Marshals' Figures

In the accompanying table, figures compiled by W. L. Clairmont, Dominion Fire Commissioner, have been furnished partly by provincial fire marshals' offices and partly by municipal fire chiefs. Figures for Alberta, British Columbia, Quebec, Nova Scotia, New Brunswick and Prince Edward Island are fire marshals' estimates as also are those for the Ontario cities of Hamilton, London, Ottawa, Toronto and Windsor. Figures of the remaining Ontario cities and those for Manitoba and Saskatchewan are fire chiefs' estimates.

FIRE LOSSES IN MUNICIPALITIES WHERE POPULATION EXCEEDS 10,000

	Population	Total Property Loss 1942 $	—Losses Per Capita— 1942 $	1941 $	1940 $
Ontario:					
Belleville	15,498	12,401	0.80	0.57	2.44
Brantford	33,264	14,467	0.44	0.67	5.32
Brockville	11,000	4,058	0.37	1.37	...
Chatham	18,000	36,564	2.03	0.61	0.13
Cornwall	13,699	21,638	1.53	0.77	1.30
East York Twp.	41,578	5,116	0.12	0.15	0.23
Eastview	10,000	3,678	0.37	...	...
Etobicoke Twp.	19,632	22,917	1.18	0.05	1.08
Forest Hill Village	12,954	5,276	0.41	0.83	0.37
Fort William	31,000	26,046	0.84	1.10	2.01
Galt	18,000	41,897	2.33	1.14	0.29
Guelph	23,195	48,563	2.09	3.39	1.26
Hamilton	167,830	796,231	4.74	2.24	1.82
Kingston	29,545	156,152	5.29	0.76	2.77
Kirkland Lake	24,000	13,164	0.55	0.59	2.17
Kitchener	36,000	56,168	1.56	0.70	0.27
London	80,000	82,883	1.04	1.11	0.89
New Toronto	10,000	4.370	0.44	...	...
Niagara Falls	20,000	11,415	0.57	0.83	0.45
North Bay	16,072	61,949	3.85	1.12	1.93
Oshawa	27,600	52,442	1.90	0.98	0.23
Ottawa	182,995	439,189	4.00	3.12	1.90
Owen Sound	13,500	15,002	1.11	2.48	19.08
Pembroke	10,999	10,641	0.97	...	0.79
Peterborough	28,960	33,857	1.17	1.76	0.40
Port Arthur	25,042	26,356	1.05	1.61	3.38
St. Catharines	30,025	206,245	6.87	0.80	1.47
St. Thomas	18,000	5,175	0.29	0.81	2.55
Sarnia	20,000	85,608	4.28	1.53	0.34
Sault Ste. Marie	27,534	94,842	3.44	5.33	0.98
Scarboro Twp.	24,000	30,400	1.27	1.02	0.76
Stratford	16,993	3,530	0.21	0.59	0.17
Sudbury	36,400	79,640	2.19	1.04	0.68
Timmins	28,140	13,653	0.49	0.75	7.41
Toronto	669,130	1,662,413	2.48	2.56	1.71
Welland	14,898	9,109	0.61	1.19	1.16
Windsor	112,800	116,785	1.04	0.54	2.49
Woodstock	12,753	32,137	2.55	0.59	0.49
York Township	80,000	29,360	0.37	0.24	0.21
Quebec:					
Cap de la Madeleine	11,885	27,240	2.29	0.85	1.31
Chicoutimi	15,975	25,495	1.60	2.07	2.73
Drummondville	10,502	36,425	3.47	5.76	4.76
Granby	14,146	17,920	1.27	5.45	2.46
Hull	32,604	42,460	1.30	1.01	0.72
Joliette	12,678	12,580	0.99	2.65	4.44
Jonquière	13,766	168,920	12.27	2.21	4.44
Lachine	19,898	23,480	1.18	3.87	1.12
Levis	11,910	102,865	8.64	1.77	2.43
Montreal	890,234	2,953,795	3.32	3.13	1.20
Outremont	29,865	113,470	3.80	2.54	2.22
Quebec	147,908	1,420,945	9.61	4.78	2.78
St. Hyacinthe	17,723	42,295	2.39	1.59	0.59
St. Jean	13,563	220,955	16.29	5.35	0.71
St. Jerome	11,286	13,590	1.20	3.30	2.68
Shawinigan Falls	20,237	35,190	1.74	1.84	0.33
Sherbrooke	35,651	118,440	3.32	2.99	1.94
Sorel	12,203	509,500	41.75	3.17	0.67
Thetford Mines	12,788	61,805	4.83	1.20	1.25
Three Rivers	41,811	56,890	1.36	2.79	0.96
Valleyfield	16.968	34,360	2.02	1.87	1.38
Verdun	66,503	231,055	3.47	0.68	1.37
Westmount	24,959	94,130	3.77	1.39	1.49
Manitoba:					
Brandon	17,888	6,376	0.36	0.22	0.83
St. Boniface	18,476	11,106	0.60	1.09	1.05
St. James	15,000	187	0.01	...	...
St. Vital	11,194	6,642	0.59	...	...
Winnipeg	225,437	276,941	1.23	1.60	1.02
Saskatchewan:					
Moose Jaw	21,000	10,364	0.49	0.57	0.40
Prince Albert	12,508	16,286	1.30	0.32	4.00
Regina	65,000	24,088	0.37	0.29	2.38
Saskatoon	43,000	124,771	2.90	0.57	0.64
Alberta:					
Calgary	87,267	114,194	1.31	4.63	0.84
Edmonton	92,404	514,893	5.57	2.96	4.50
Lethbridge	14,343	15,321	1.07	0.58	0.33
Medicine Hat	10,473	32,730	3.13	0.49	0.23
British Columbia:					
New Westminster	21,602	24,974	1.16	0.49	6.21
Trail	....	....	...	...	0.45
Vancouver	271,597	621,401	2.29	1.15	0.65
Victoria	42,907	23,469	0.55	1.68	0.36
Nova Scotia:					
Dartmouth	10,919	31,258	2.86	0.79	1.26
Glace Bay	25,050	46,333	1.85	1.78	12.00
Halifax	115,000*	460,817	4.00	2.22	1.49
Sydney	28,081	78,284	2.79	13.12	3.59
Truro	10,410	82,736	7.95	4.32	...
New Brunswick:					
Fredericton	....	....	...	...	1.82
Moncton	22,411	62,354	2.78	0.56	7.44
Saint John	50,084	121,810	2.43	26.52	2.49
Prince Edward Island:					
Charlottetown	14,460	53,701	3.71	10.42	1.50

*Estimated.

To help make Canadians fire-prevention-conscious. Sponsored by the Canadian Underwriters' Association, posters like this will be in evidence next week in cities, towns and villages from coast to coast. Its theme: speed victory on the war front by preventing fire on the home front.

New Superintendent In State of New York

Because many Canadian insurance companies operate in New York State, appointment of Robt. E. Dineen of Syracuse as superintendent of insurance there is of considerable importance in Canadian insurance circles. Mr. Dineen succeeds Thomas J. Cullen who has been acting superintendent since Louis H. Pink resigned in January. Mr. Cullen, at the request of both the state governor and Mr. Dineen, willl remain in the department as first deputy superintendent of insurance. Mr. Dineen is a member of the law firm of Bond, Schoeneck & King of Syracuse and has specialized in insurance law.

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H. K. DENT, PRESIDENT . . . HOME OFFICE: SEATTLE, WASHINGTON

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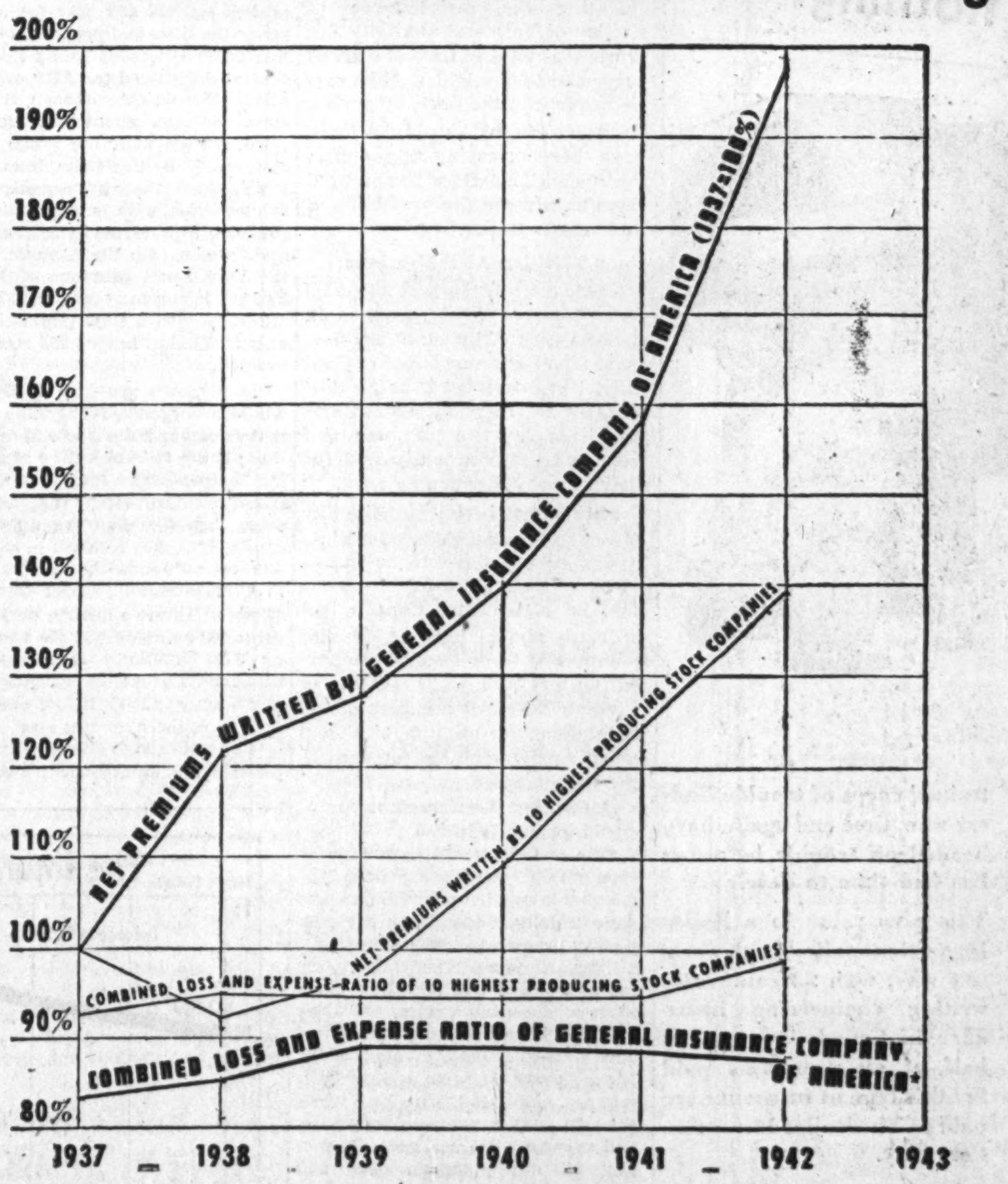

General of AMERICA is compared to the average of the 10 stock fire insurance companies which were highest in premium volume for 1942

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STATUTORY FIGURES USED. TAXES ACCOUNT FOR 9.9% OF OUR TOTAL EXPENSE RATIOS. SOURCE: BEST'S INSURANCE REPORTS

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Fire Prevention

Best Type Construction Helps

Cut Losses by Building Code, Zoning and Education

By W. L. CLAIRMONT
Dominion Fire Commissioner

Even before the crucial period of the war had passed the foundations for the postwar world were being laid. The necessity for a very radical change in many features of our existence has been stressed by men in all walks of life. We feel we can never go back to the old way of living.

And so it should be in the matter of fire prevention. Peacetime fire losses in both Canada and the United States have been far beyond what they should be. Fire being a major weapon of this war, nations have become more fire-conscious than ever before. ARP and civilian defense organizations have directed a great part of their efforts toward fire control and have consequently developed a fire-consciousness that should last well into the postwar period.

National Building Code

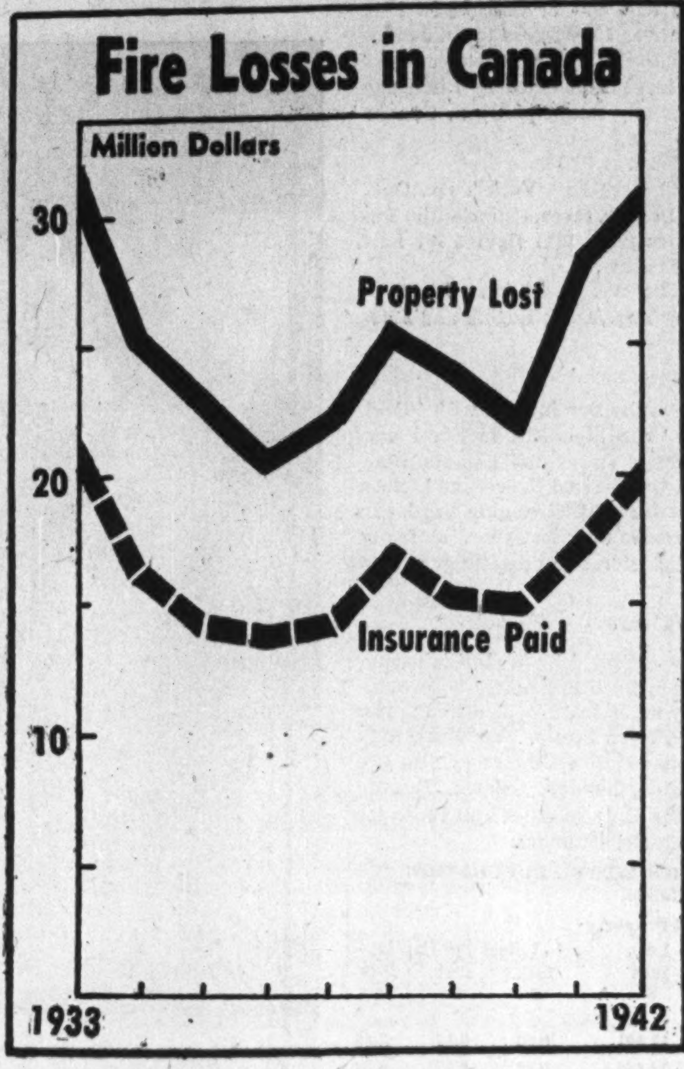
This country has already a good start on the fire-prevention road of the postwar period in her National Building Code which was completed a year or so ago.

Building construction is a very important factor in fire prevention and the lack of adequate building by-laws in our municipalities has been responsible for a substantial part of our fire loss. I am convinced that the adoption of municipal councils of the National Building Code, or such features of it as could be made applicable, will go a long way toward reducing our still appalling fire loss.

A well planned community is usually a fire-free community. Zoning of a municipality and the setting up of reasonable restrictions can turn a conflagration breeder into a town that is relatively free of fires. There is much that can be done in this respect in the postwar world, and municipal councils would do well to place this matter on their agendas for future consideration.

There is no doubt that the matter of housing will receive a great impetus in the postwar period. But why build to burn? Seventy-five per cent of our fires start in the home from one cause or another, chief among which is the defective chimney and defective heating equipment. In a country where for long periods we have to force our heating systems, no effort should be spared to make them safe. Building contractors can assist greatly in this matter by building good chimneys and by installing heating appliances in a safe manner.

A good part of the fire protection equipment now serving national defense establishments will no doubt become available for purchase by municipalities upon the cessation of hostilities. This will be an opportunity to replace old worn-out equipment in some cases and to provide fire protection equipment where none had existed in other cases.



Although many people carry fire insurance for protection against loss by fire, many others do not. This chart shows how actual property losses in the last decade compare with the losses made good by Dominion licensed companies. If losses paid by provincial licensed companies were included the gap would be smaller but would still be substantial — about $7 millions in 1942. These uninsured fires represent a total loss to the owners.

In my opinion, however, the greatest postwar task in fire prevention lines should be the education of our children in fire prevention principles. The present general outlook that insurance will take care of everything should be uprooted. I feel that the study of fire prevention should become a part of the curriculum of our schools.

As in many other endeavors much remains to be accomplished in fire prevention. The problem can only be attacked by the same resolute will to win in the postwar period as exists now in our determination to overthrow tyranny.

Smokers Cause Third of Fires

For many years past smokers' carelessness has been the most prolific cause of fires, being responsible for almost a third of the total. While majority of them are small, average loss in 1942 being a little over $120 compared with $97 in the previous year, the threat of them causing greater losses is always present.

Stoves and Furnaces

Next on the list of fire causes come stoves, furnaces, boilers and smoke pipes. Fires due to this cause in 1942 totalled 5,207, representing a total financial loss of $3.5 millions. Average loss in this group was $690, substantially above the average smokers' fire. While smokers' fires are distributed fairly well over the year, those caused by stoves and furnaces occur most frequently in winter when householders are keeping on big fires to warm their premises.

Average loss Over $2,600

Picture film fires numbered only 10 but average loss exceeded $2,600. More than 321 fires were caused by exposure to other fires, ignition having been caused by flying cinders, heat, etc.

Classification of fires in Canada in 1942 with their attendant financial loss as compiled by the Dominion Fire Commissioner follows.

Causes Reported 1942	Number of Fires	Property Loss
Smokers	14,555	$1,752,676
Stoves, furnaces, boilers	5,207	3,593,318
Chimneys and flues	4,073	1,542,491
Electrical wiring, etc.	2,961	2,475,068
Hot ashes, coals	2,907	671,874
Matches	2,764	359,694
Lightning	1,394	600,396
Sparks on roofs	1,218	495,411
Lights, non-electric	996	232,344
Petroleum and products	959	594,972
Spontaneous	356	848,044
Exposure fires	321	305,422
Incendiarism	158	324,484
Picture film	10	26,455
Miscellaneous known	3,859	2,702,917
Unknown	5,858	14,656,672
Total	47,596	31,182,238

Auxiliary Groups Important

Should Be Maintained, Says Fire Marshal

Despite recent successes of allied arms, there can be no relaxation in the efforts of fire fighting and fire preventions services in Canada and the United States, W. J. Scott, Ontario Fire Marshal told the International Association of Fire Chiefs at Chicago recently.

Urging the maintenance of civilian defense and auxiliary fire services as vital in time of war, he suggested they might well be carried over into the postwar period.

Fire chiefs in Canada, he finds, have been grasping the opportunity civilian defense has brought them to increase fire protection of their communities.

2.5 Million ARP Members

There are now he said about 2.5 million active ARP members in Canada with 17,151 auxiliary firemen. The Dominion Office of Civil ARP has expended over $5 millions of which about $2 millions has been for fire pumpers and hose and personal equipment for the auxiliary firemen.

Noting that because of the difference in population Canadian figures would have to be multiplied by 12 to get a fair comparison, he stated that Canada had ordered about 1,680 ARP fire pumpers of three sizes as compared with 18,000 OCD (Office of Civilian Defense) pumpers of the 500-gallons-per-minute size and much supplemental equipment in the United States.

Describing the Canadian pumpers he proceeded:

"The smallest is a 50 g.p.m. forestry type pumper which has been distributed to small coastal villages who were usually without any fire protection previously. The next size is a 150 g.p.m. pumper which is mainly for the residential and low value areas of the urban centres and their suburbs. For high value areas we have a 500 g.p.m. ARP pumper, which is practically the same as your OCD pumper, and uses 2½ in. hose while the two smaller pumpers are equipped only with 1½ in. hose. Practically all our pumpers, hose and nozzles have been delivered, and also the personal equipment for firemen, except that in some districts there is a shortage of coats and boots.

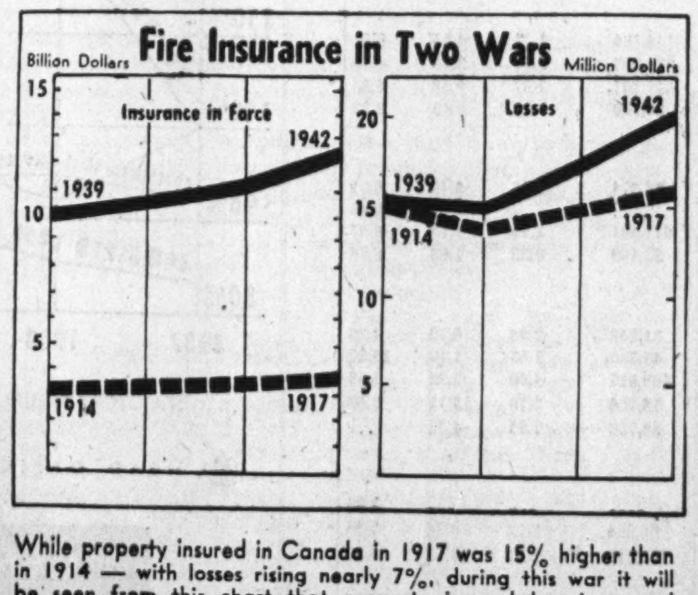
"In a small country like Canada this sum of $2 millions for ARP fire fighting may seem like a large sum. But it must be remembered that these 17,000 auxiliary firemen must protect against any war fire emergency the lives and properties of the five million persons living in these centres designated for ARP organization. The number of men and the amount of equipment they are supplied, varies with the need. For instance, in British Columbia on the Pacific Coast, there are organized 147 communities with a population of 500,000 and protected by 3,422 auxiliary firemen. On the Atlantic Coast the very small province of Prince Edward Island has organized 37 communities with a total population of only 25,000, but having 296 auxiliary firemen.

"In my own province of Ontario we have organized only the main centres of war industries where again there is the twin objective of guarding these possible targets of enemy attack and of providing supplemental protection for war manufacturing plants. This has resulted in only 108 out of the 350 municipal fire brigades in Ontario coming under this ARP scheme. The two million persons in these 108 communities are protected by 5,581 auxiliary firemen whose number this month of August is down only about 10% from what they were three months ago.

"I do not need to elaborate how not a cent spent on defense fire services is wasted because all this equipment will be equally valuable after the war. Nor do I need to stress how valuable in securing public good-will is this vast army of civilians who have been trained in fire fighting. But it may be well to remind fire chiefs of the importance of continuing this auxiliary fire service and this public co-operation not only in these days of approaching victory, but also in the days of peace to come.

"Civilian defense has been possibly the greatest national co-operative work ever undertaken on this continent. It has involved not only the Federal Governments of our two countries—working closely together to meet parallel problems—but also the states or the provinces, and the municipalities, all working together with the citizen volunteers who have been giving so fully of their time and talents. Men and women in all walks of life have met together in this common defense of their homes and families, not only getting to know each other better, but also developing a community spirit of self-sacrifice and of thinking of the other fellow which has brought a new ideal to our national lives.

"This spirit of civilian defense must be carried over to the postwar world. This is not only to maintain the public interest in and co-operation with the great work of fire protection. It is even more important to maintain this spirit of the co-operation which typifies civilian defense in the postwar endeavors in our two countries and also as between nations."



While property insured in Canada in 1917 was 15% higher than in 1914 — with losses rising nearly 7%, during this war it will be seen from this chart that property insured has increased 23% with losses up 27%. Property insured in 1942 was more than three times that in 1917, while losses were up only 24%. Figures are for Dominion licensed companies.

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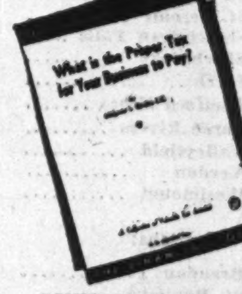
Bakelite of Canada has announced transfer of all its assets and business to its affiliated company, Carbide & Carbon Chemicals, which latter company is a wholly owned subsidiary of Union Carbide & Carbon Corp. The company will from now on be operated under the name of Carbide & Carbon Chemicals Bakelite Plastics Division, and will continue under the same management and personnel.

Are you paying too much — too little?

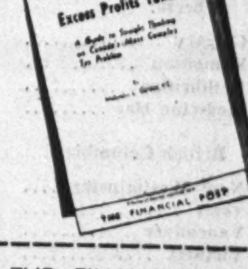
Send for these two valuable booklets written expressly for The Financial Post by MOLYNEUX L. GORDON, K. C.



What is the Proper Tax for Your Business to Pay?

Are you paying too much? Too little? This booklet will help you avoid steep penalties for under-payment and embarrassment through over-payment. Since publication it has become a standard manual for business men, accountants, and other professional men.

CONTENTS: Taxes on income you don't receive • Profits should be timed • Capital gains sometimes taxed • Taxing windfall profits • Taxing real estate profits • Corporate planning cuts taxes • Taxes on subsidiary companies • Taxes on personal corporations • Taxation of dividends • Interest and the taxes • What does your salary include? • When are bad debts deductible? • Depreciation, repairs, improvements • Legal, auditing, technical expense • Some strings on tax deductions • Miscellaneous deductions • Superannuation and insurance • Where you are taxed.



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A guide to straight thinking on Canada's most complex tax problem. The six chapters answer dozens of knotty questions on what constitutes taxable profits and show the mechanics of tax relief. Many case references appended.

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Staff Changes

The Royal Bank of Canada announces the following staff changes:

R. C. MORRISON, relieving manager, Maitland, N.S., to be manager, Mount Stewart, P.E.I.

E. F. SHEWFELT, manager, Whitemouth, Man., to be manager, Lac du Bonnet, Man.

G. TURNER, accountant, Shoal Lake, Man., to be manager, Whitemouth, Man.

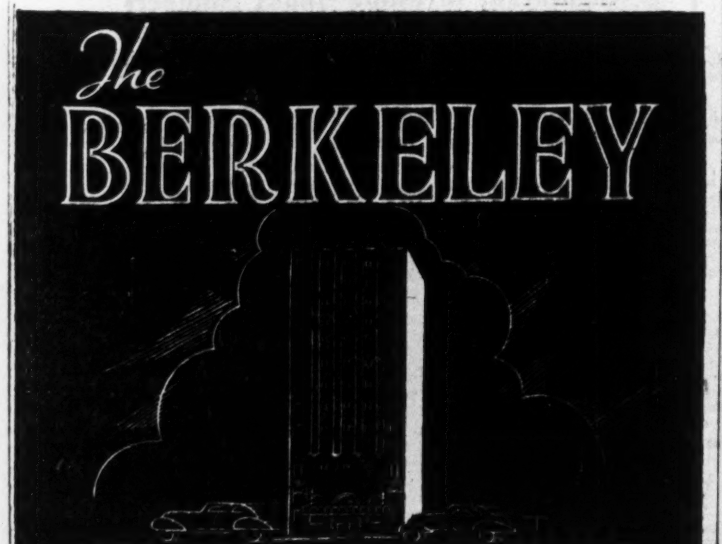
D. C. MACREADY, accountant, Windsor, N.S., to be relieving manager, Maitland, N.S.

R. F. GARRARD, assistant manager, Winnipeg, Man., to be assistant manager, Ottawa, Ont.

R. C. ARBUCKLE, to be accountant, Portage Ave., Winnipeg, Man.

H. J. SHAW, Mount Stewart, P.E.I., granted leave of absence to engage in military service.

The BERKELEY



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Wartime Gave Them Opportunity To Do Big Job

By D. G. MACLEAN

The woman "with the brief case" is becoming a familiar sight as men of the insurance agency forces keep joining the services. That they are turning in a generous volume of business is evidenced from reports of company executives and officials of life underwriting associations. Moreover, they are getting their share of the big clients, estimates revealing that 36% of their sales are for $5,000 or over. How the woman insurance agent goes about her business is told herewith.

An important development in the life insurance business under war conditions is the increasing number of women agents in the business in both Canada and the United States. Previous to the war there was a substantial number of women underwriters with most of the companies and these wrote a very considerable volume of business. But as the war years passed and more and more of agency forces left to join the armed services, women began to take on a larger proportion of the selling. As underwriters they have proved eminently successful, according to company executives interviewed by The Financial Post.

Have Sound Knowledge

Taking the same training as men, they attain a sound knowledge of the business and can discuss the affairs of male or female prospects with equal facility, it is claimed.

Recently female members of the National Association of Life Underwriters in the United States held a Women's Session at Pittsburgh where Beatrice Jones, former president of the Life Underwriters Association of New York City, stated there is both a need and an opportunity for women agents. Miss Jones is well known to Canadian underwriters. Findings of the survey, it is believed, would apply equally well in Canada as conditions in the two countries are so similar.

Size Of Policies

According to Miss Jones, the survey dealing with the statement that women usually write small cases of insurance, showed 45% of the sales by women to be from $1,000 to $2,500; 19% from $2,500 to $5,000 and 36% for $5,000 or over. This, she said, indicates that women are getting their share of the substantial policies sold today.

The survey also revealed that women sell 26% of their business to people unknown before the interview. Fifty-four per cent is sold to people known for more than one year, which represents the normal experience of both men and women, it is claimed.

It was also disclosed that agents selling to strangers either sell promptly or not at all. Multiple interviews rarely feature sales to strangers.

Referred Leads

It was also found that 49% of the sales by women agents resulted from leads given by references from other clients, 12% from leads from their own office and only 5% from cold canvass. Tendency of women agents to get their clients through referred leads or "endless chain" methods is believed to refute entirely the theory that women agents get their leads from relatives or friends and that when these sources are exhausted the woman agent is done.

On First Interview

It was shown that 61% of a woman's sales take place on the first interview; 25% on the second and only 3% required four or more interviews to close. It was disclosed that when women are selling women, 66% of the sales were closed in one interview; 47% of sales to men on the first interview. The more involved programming requirements of the men prospects require longer time for writing up, it was stated. Other findings were:

In 44% of women's sales the premium is collected when the application is signed; in 38% it is paid when the policy is delivered. In only 2% was the premium paid by note and in 6% partly in cash and partly by note.

In 67% sales by women were made without the aid of printed material.

Business placed by women appears to be bought by their clients for specific purposes in just about the same proportion as that sold by men. A survey made in 1941 showed 70% of the policies sold by men were bought for no specific purpose, thus coming under the "general" classification. The present survey showed that 59% of policies sold by women were bought for no specific purpose. But in the cases sold by women it appeared that women buyers were more careful to complete their settlement details immediately than were men.

Successful In Home

An executive of a Canadian company stated to The Financial Post that he had found women particularly successful in going into the home and selling there. Some of the women agents in his company were among their best producers, he declared.

Canadian women agents, like those in the United States, while reaching many clients among men also find many among other women.

One reason for this is that so many women just now are earning money, that they are good prospects for life insurance. Many of them have dependents whose security is an important consideration and life insurance offers a means of protecting them in case of death of the wage earner and of saving at the same time.

In many instances it has been found that annuities and pension plans are popular with women workers.

It is also pointed out that women clients, apart from those serving in the armed forces, are not likely to be affected by the war clauses inserted in life insurance policies since outbreak of war. Work in war plants or even membership in the women's branches of the armed forces does not make any difference as far as the policy is concerned as long as the policyholder does not leave the country.

Sticking Features

Sticking power of policies sold to women in Canada is indicated by the statement of another company executive that of 25 policies sold to women only two were lost in three years, and in one of these the husband had talked the woman into dropping the policy after she got married.

SUPERVISOR

James A. Fiott, who has been appointed a supervisor of branches at the general office of the Bank of Nova Scotia, Toronto. Mr. Fiott, a native of Caraquet, N.B., joined the staff of the bank at Campbellton, N.B.

Slight Decline In Note Issue

Seasonal Rise Meets Slight Check — Holdings of Sterling in Bank of Canada Down

For the first time in over three months note circulation of the Bank of Canada in the Sept. 22 statement fails to show an increase. The weekly figure in fact was down about $300,000 from the previous week. Normally note circulation continues upward for several weeks in the fall due to requirements of the crop movement for currency. Total deposits with chartered banks and miscellaneous liabilities also were lower.

On the credit side both holdings of sterling and investments were down.

	Sept. 22 1943 $	Sept. 15 1943 $
Capital paid-up	5,000,000	5,000,000
Notes in circultn.	807,967,341	808,281,419
Rest fund	6,472,953	6,472,953
Deposits: Dom.	45,103,759	64,719,797
Banks	310,122,222	317,253,367
Other	15,021,631	11,308,710
Total deposits	370,247,612	393,281,874
All other liabs.	15,044,854	22,890,121
Total liabs.	1,204,752,760	1,235,926,367
Assets		
In Sterling & U.S.	31,062,441	56,912,441
Subsid. coin	191,275	239,199
Investments:		
Dom. govt. sh.	799,428,689	798,866,404
Other Dom. gov.	357,640,499	362,909,968
Total invest.	1,157,069,188	1,161,776,372
Premises	2,101,143	2,100,957
All other assets	14,328,713	14,897,398
Total assets	1,204,752,760	1,235,926,367

Weekly Bank Clearings

	Sept. 23 1943 $	Change year ago %	Sept. 16 1943 $
Halifax	4,159,462	—0.06	3,860,008
Saint John	2,719,352	+15.6	2,541,204
Moncton	1,255,106	+18.7	1,189,026
Sherbrooke	1,271,195	+2.9	1,064,499
Quebec	6,147,390	+18.0	6,576,008
Montreal	152,335,948	+38.5	151,910,461
Ottawa	66,587,394	+51.8	67,832,426
Kingston	851,339	+0.5	855,411
Toronto	173,452,795	+36.7	166,189,913
Kitchener	1,392,279	+14.9	1,444,824
Brantford	1,258,176	+20.7	1,178,519
Chatham	604,488	—6.2	719,553
Sarnia	971,911	+98.2	916,532
London	3,024,236	+11.3	3,214,448
Peterborough	960,139	+18.1	1,028,503
St. Catharines	1,406,875	+18.9	1,614,486
Windsor	4,381,394	+2.0	4,552,679
Sudbury	1,219,475	+20.2	1,179,880
Hamilton	7,274,621	+0.2	6,733,384
Fort William	1,207,960	+15.5	1,164,640
Winnipeg	71,220,548	+62.6	61,852,517
Brandon	565,773	—14.5	616,851
Regina	7,462,989	+9.4	9,122,517
Moose Jaw	1,057,048	+23.5	958,674
Saskatoon	2,322,254	+30.6	2,251,613
Prince Albert	664,250	+40.8	635,346
Edmonton	8,990,848	+43.4	8,828,179
Calgary	8,851,154	+25.8	9,273,026
Lethbridge	1,044,795	+30.8	965,626
Medicine Hat	479,078	—13.7	536,244
N. W'minster	909,023	—12.3	805,877
Vancouver	33,555,671	+17.3	29,302,522
Victoria	2,224,289	+12.9	2,291,719

Insurance Company Reports

General of America

Increases in all important items are shown by the companies in the General of America insurance group in their annual statement for 1942, compared with 1941. The group comprises the General Insurance Co. of America, the First National Insurance Co. of America and the General Casualty Co. of America.

By agreement between the General of America and the First National, all liability under policies issued by the latter is automatically reinsured by the General of America and such policies are considered as full and direct liability of that company. Accordingly, First National policyholders are protected by the combined assets of the General of America and the First National.

Important items from the statements of the General of America and the General Casualty of America are shown below with combined figures for the General of America and the First National.

General Insurance Co.	1942 $	1941 $
Total assets	21,848,152	18,591,545
Government bonds	7,850,795	5,368,362
Other bonds	3,432,282	2,978,902
Stocks	7,632,821	6,274,558
Cash	2,572,864	2,316,573
Res. Unearned Prems.	8,948,458	8,847,254
Net surplus	7,454,769	6,591,641
Policyholders surplus	8,454,769	7,591,641
Combined General and First National	**1942**	**1941**
Total assets	23,696,145	20,211,605
Government bonds	9,029,598	6,345,567
Other bonds	3,556,490	3,101,862
Stocks	7,221,321	6,467,158
Cash	2,720,599	2,481,893
Res. Unearned Prems.	10,745,236	9,524,566
Net surplus	7,847,082	6,933,019
Policyholders surplus	9,347,082	8,433,019
General Casualty of America	**1942**	**1941**
Total assets	9,123,018	7,501,246
Government bonds	4,165,800	2,642,356
Other bonds	1,896,665	1,944,660
Stocks	1,250,686	1,007,394
Cash	809,823	848,326
Res. Unearned Prems.	3,110,794	2,785,248
Net surplus	1,393,677	1,163,946
Policyholders surplus	2,393,677	2,163,946

CLA

To our policyowners

Life Insurance is part of the Canadian Way of Life

Life Insurance is one of the means by which freeborn men proclaim their independence and self-reliance. They don't want charity.

When a man buys Life Insurance he indicates that he can—and will—protect himself and family from fear of want to the best of his ability. He cherishes the dignity and self respect which is his heritage; and which is part of the Canadian Way of Life.

Confederation Life Association
HEAD OFFICE TORONTO

Banking

Counterfeit Bills Appear

Canada's Latest Outbreak of Small Proportions

Recent notices of counterfeit notes being circulated in the Toronto area have turned out to be disappointing from the romantic point of view. The notes are poor jobs and their circulation is limited. By no stretch of the imagination is it possible to weave for oneself a story of artistic genius gone wrong, circulating masterpieces of the engraver's art and baffling the police.

This minor outbreak of tampering with the country's currency has resulted in the circulation of two groups of notes. The first is not giving the police much worry, consisting of poor imitations of five dollar bills of the Bank of Montreal and the Royal Bank. The paper, printing and art work is poor and the number 683166 has been stamped on them in lieu of a serial number, but without trouble being taken even to add the letters that invariably precede such numbers.

$10 Bills Also

The more serious problem is the circulation of ten dollar bills. In this case a variety of dodges have been resorted to, all based upon the principle of splitting a ten dollar bill and, by pasting something on the two blank sides, passing both sides, with the good face up, as ten dollar bills. For instance, one came into the possession of the police recently with a ten dollar face on one side and a one dollar on the other.

Other tricks have been to treat the main side of a bill with acid and get an impression of it on tissue paper. The impression would be backwards on the tissue, which would therefore have to be pasted in reverse on the other good half of the bill. The impression could only be seen then through the tissue. This makes a very messy-looking job, The Financial Post is told. In these ways the counterfeiter is attempting to double his money. About ten bills of this type have been passed.

Counterfeiting Little Trouble

Canada has seldom been bothered with counterfeiting of its own bills. Counterfeits of American and Mexican bills have been quite common in the past, since the strangeness of the bills to Canadian persons made their detection less likely. The war, however, has put what is pretty well a complete stop to this traffic due to the difficulties of wartime exchange.

The present small crime wave in this line is the first for some years, and the first since the war, except for the isolated passing of one or two bad bills that goes on regularly from time to time. The penalties provided for counterfeiters in Canadian law are quite severe and have contributed greatly to our comparative freedom from this type of illegal activity. A counterfeiter, or person passing split and mutilated bills and coins may get a prison term of up to 14 years, depending on the seriousness of the particualr offense.

Canada's comparative freedom from bad money results, of course, in a great deal of carelessness in our handling of currency. Thus it is possible, for a time, to pass such bad examples of the counterfeiting art as have been currently circulating. The work involved in splitting these bills is considerable, however, and the rewards would seem to be hardly worth the risk.

Insurance Sales $378 Millions

Sales of ordinary life insurance in Canada and Newfoundland in August totalled $45.6 millions bringing the total for the first eight months of the year to $377.7 millions. The figures are for new, settled-for business, exclusive of increases, revivals, annuities, etc. and are compiled by the Life Insurance Sales Research Bureau. Totals for the different provinces for August and the eight months follow.

Sales for August:	1943
British Columbia	$3,828,000
Alberta	2,450,000
Saskatchewan	1,791,000
Manitoba	2,577,000
Ontario	17,957,000
Quebec	12,040,000
New Brunswick	1,635,000
Nova Scotia	2,135,000
Prince Edward Island	378,000
Newfoundland	821,000
	$45,612,000
Eight Months:	
British Columbia	$28,675,000
Alberta	20,702,000
Saskatchewan	12,647,000
Manitoba	20,855,000
Ontario	160,248,000
Quebec	99,802,000
New Brunswick	10,992,000
Nova Scotia	15,590,000
Prince Edward Island	2,312,000
Newfoundland	5,892,000
	$377,715,000

Fire Equipment Output Cut by Wartime Demand

Supply of Strategic Metals is Factor — Restrictions on Production and Distribution Outlined by R. C. Mold, WPTB

War has brought about problems in the production of fire-fighting equipment. Heavy demands on strategic metals for guns, tanks, ships and planes and on new factories to make them have left only a limited amount available for civilian needs such as fire-fighting appliances. Accordingly it has been found necessary to impose restrictive measures on production and distribution.

These restrictions were recently outlined at a meeting of the Dominion Association of Fire Chiefs at St. Catharines, Ont., by R. C. Mold, director of fire fighting equipment and machinery WPTB. Before putting them into effect, all interests concerned, including manufacturers of equipment, fire marshals, insurance companies and fire chiefs, were consulted and measures taken were in harmony, as far as possible, with those in the United States.

One measure is to use substitutes. An example mentioned by Mr. Mold is the so-called malleable iron hose couplings 1½ inches and larger in size which, although actually having malleable iron tail pieces, still use a brass swivel. With proper care such couplings should meet requirements under most condlitions. Mr. Mold stated:

"In the case of fire extinguishers of the ordinary soda-acid type, use of copper alloys is not permitted for the shell. Some manufacturers in Canada have already started to work on production plans of a soda-acid unit using a steel shell galvanized. This takes time to come into production, so some little time may still elapse before this unit is available.

"The foam extinguisher is now restricted in its sale under the present order to locations for the protection of flammable liquids. In the manufacture of the foam extinguisher, copper alloys are not permitted for the shell but steel with suitable non-corrosive protective materials may be used, and this type of unit with the substitute shell is already in production in the United States.

"Modern warfare, with the use of airplanes and ground mechanized units, particularly tanks, has placed a heavy demand upon the CO_2 extinguisher. Most airplanes and tanks are each equipped with a fixed CO_2 system. A number of the naval craft are similarly equipped.

"We fully realize the value of carbon dioxide in the extinguishment of certain fires. It is hoped in new purchases that until such time as relief is in sight other types of extinguishing agents may be made use of wherever possible, such as vaporizing liquid or so-called carbon tetrachloride for electric fires and foam or fog nozzles for flammable liquid hazards.

Electric Alarms

"Electric fire alarms are still available to meet essential needs, particularly for hospitals, institutions and schools, where the life hazard is a serious factor.

"Repairs are also permitted to existing equipment being limited to $50 per month in materials for a private installation or $200 per month for public or municipal installations. Should the need arise, however, for repairs exceeding these amounts, provision is made under the relief clause where every consideration would be given by the administration in an emergency to recommend release of materials if available without undue delay.

"Sprinkler system installations are restricted, permission having to be obtained from this administration which is endeavoring to confine such new installations to properties deemed essential to the war effort.

"When you realize that a sprinkler system may use in some cases tons of steel or cast iron for underground water supplies and the numerous mains and distribution pipes within the building, together with the substantial amount of copper and its alloys in the large number of sprinkler heads in the installation itself, it is necessary to investigate each application thoroughly. Other than essentiality, the type of construction whether combustible or not, is a factor.

"The nature of the occupancy of a plant whether combustible or not is also a factor to be taken into consideration. A building of reinforced concrete may be producing highly combustible materials such as airplane wings or fuselages with fabric covering using nitro-cellulose, so-called dopes or lacquer coatings, where a sprinkler system would be essential for proper protection. In other words, to use the simple illustration of a stove, whatever combustible material you put in it, will burn.

"In determining the essentiality of a sprinkler system you will readily see that the work of an administration officer is not always a simple one, but it has been made much easier by the very helpful co-operation of the fire marshals and the insurance underwriting associations in supplying us with information from their inspectors' reports. The fire chiefs have also been very helpful to us when called upon to furnish data on physical conditions applying to particular cases respecting fire equipment in their own localities."

Deaths Due to Fire 2,804 in 10 Years

In the last 10 years fires in Canada have caused the deaths of 2,804 persons of which 1,248 were children, the balance adults.

Deaths by Fire in Canada

Year	Men	Women	Children	Total
1933	44	68	142	254
1934	53	81	134	268
1935	47	92	154	293
1936	71	87	189	347
1937	68	73	105	246
1938	92	53	118	263
1939	137	53	73	263
1940	91	50	102	243
1941	148	58	117	323
1942	129	61	114	304
Total	880	676	1,248	2,804

Now, more than ever, your Children depend on *You!*

Women in wartime must accept many responsibilities that are normally a man's. And no responsibility is greater than that of assuring that your children will *always* be secure!

There is only one way to *guarantee* that security : : : through LIFE INSURANCE PROTECTION on your own life as well as that of your husband.

With the assistance of a representative of The Mutual Life of Canada, you can create *at once* a substantial estate for them. Let him show you the wide variety of protection plans that are geared to wartime incomes.

For complete information, write or call your nearest Mutual Life office today.

THE MUTUAL LIFE OF CANADA
Established 1869
Head Office Waterloo, Ont.
Insurance in Force
Over $638,000,000

Anniversary Greetings

1893 – 1943

The year 1943 marks the 50th ANNIVERSARY of American Credit Indemnity Company of New York.

Since 1893, many thousands of business firms have insured accounts receivable with American Credit Indemnity Company of New York . . . some for nearly the entire period . . . a number for more than twenty-five years.

In those fifty years, many business executives have become acquainted with us . . . have become our friends . . . for, just as do men, so also do companies perform services needed by others . . . establish friendships . . . acquire reputations. And the long period of fifty years tests companies and men alike . . . their character and integrity . . . their ability and willingness to fulfill obligations and promises.

Naturally, we are happy in the possession of many friends in business . . . and, perhaps, a bit proud in the attainment of our 50th ANNIVERSARY . . . believing this long term of service possible because our name has been granted an honored place in the business community.

We are grateful, indeed, to those whose confidence contributed to our growth and strength . . . enabling us to celebrate this 50th ANNIVERSARY.

OFFICERS AND DIRECTORS

J. F. McFadden, *President*
CANADIAN DIVISION

50th Year AMERICAN CREDIT INDEMNITY COMPANY NEW YORK 1893 1943

Guarantees Payment of Your Accounts Receivable

OFFICES IN TORONTO, MONTREAL AND SHERBROOKE

THE WEEK'S QUOTATIONS

Montreal and Toronto — Week ending Monday close

Winnipeg and Vancouver — Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Sept. 28	13,900	28,300	468,000	......
Sept. 27	15,700	4,700	329,000	34,675
Sept. 25	9,700	700	167,000	13,200
Sept. 24	10,400	8,700	307,000	20,700
Sept. 23	17,600	10,200	534,000	131,840
Sept. 22	16,500	7,500	381,000	48,000

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.16	$11.26	$10.00
Hogs	16.75	16.80	15.25
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2112	.2114	.1956
Sugar, raw, lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	1.23¼	1.20⅜	.89⅞
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	102.9	102.8	99.3
Dow Jones (fut.)	93.64	93.56	85.86
Fishers	111.0	110.8	107.5
Monthly Indices			
Canada (D.B.S.):			
Retail (Aug.)	119.2	118.8	117.7
W'sale (Aug.)	100.4	100.1	95.5
U. S. (June)	103.8	104.1	98.6
Gt. Brit. (June)	163.1	163.3	159.8

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic. New York, No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

* Ceiling prices fixed by the office of Price Administration.

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

September 28, 1943

Miscellaneous Stocks:	Bid	Ask.
*Acme Farmers, pf.	84	88
Allens Lond. Thea., pfd	45	..
Atlas Steels, 7% 2nd pf	106	108
Brantford Roofing, c.	2¼	3¼
Can. Co-op. Wool.	8	10
Numaque Mining	6¼	9
Pacific Coast Terminals	22	24
Que. Pulp & Paper pfd.	1¼	4
Ritchie Cut Stone pfd.	23	..
P. L. Robertson Mfg. c.	43	45¼
Do., $2.50 pfd.	.60	1
Sawyer-Massey com.	97	100
St. John Dryd. 5½% pfd.	2	2¼
Sincennes McN. com.	3	3¾
Un. Farmers Co-op.	5	5¾
Waterloo Mfg., com.	3¾	5
York Trading, com.		

*Issue carries arrears.
†Currently paying on arrears.

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland Pete. pfd.	8,723	$3,100
Major Oil, No. 6 pfd.	8,587	3,300
Major Oil No. 6 gr.	8,587	7,200
Empire, pfd.*	....	1,100

* Ontario Acreage Royalty.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Shawinigan W.	*4%	1961	Oct. 1	103
Hamilton Cotton	4½%	1950	Nov. 1	101½
Springer Sturgeon	6%	1944	Sept. 30	101
Ottawa L. Pr.	3½%	1948	Oct. 1	101
Fam. Players† A	4½%	1951	Oct. 20	102
Do., (B)‡	4½%	1951	Oct. 20	102
Do., (C)■	4½%	1951	Oct. 20	102

*$2,224,000 †$485,500. ‡$33,000. ■$66,000.

Stock Redemptions:	Rate	Due	Price
Assoc. Brew.	*7%	Sept. 30	110
Dom. Fdrs. & Stl.	†6%	Oct. 15	105

*5,639 shs. †12,000 shs.

Annual Meetings

1943	Company	Place
Sept. 30	McLellan Gold Mines	Toronto
Oct. 13	South Amer. Gold*	New York
Oct. 16‡	Alberta Pac. Grain*	Winnipeg
Oct. 29	Calgary & Edm. Corp.	Winnipeg
Nov. 9	Crdt. Fonc. Franco-Can†	Montreal

‡Postponed from Sept. 28.
*Bondholders. †Special.

Supplementary Bond Quotations

(Supplied by Plaxton, McDonnell & Co., Toronto)

Month-end close and changes from Previous Month-end

September 28, 1943

Miscel. Corp.	Bid	Ask.	Chge.
‡Adel. Peter, 6½%/48 ...	42½	45	+1
•Adel. Sheppard, 7%/48.	30	33½	+½
Albert Bay 5%/50	60	63½	—1
•Algoma Cent. 5%/59 ..	35	38	+7
Alexandra Apts. 3%/55	55½	59	—½
Ancroft Place, 4%/56 ..	47½	51½	—1½
•Balfour Bldg. 3%/43 ..	46	49	..
•Bay-Adelaide 6½%/47 .	27	30	+2
•Bay-Cumberl'd, 6½%/44.	34	..	+4
‡Bloor St. G. Rlty. 7%/46	53	56	+1
Can. Machinery, 6%/55.	95	98	—½
Can. Theatre, 5%/61 ..	77	..	+2
‡Clarendon Apts., 7%/46	29	33	..
‡Clarendon Props. 7%/47	29	33	..
Connaught Hotel, 4%/52	65	..	+1
Dom. Square, 4%/59 ...	74½	77	..
Ellis Park, 4½%/45	66	..	..
Fed. Foundries, 5½%/50	82	..	..
Gen. Brock Hotel 3%/54	48	..	+4
Gleneagles Inv., 5%/44	53½	..	+1½
Godfrey Realty, 4%/52	61	65	+1
Gotfredson Corp., 6½%.	1½	..	+½
Keefer Rlty., 5%/55	35½	..	..
Lombard Rlty., 2½%/51.	27	30	..
•London Realty, 6½%/50.	97	100	+1
Lord Nelson Htl., 4%/47	57	60	+2
Mayor Bldg., 3%/42 ...	56	59	..
Moodie, J. R., 6%/48 ..	89	94	..
Munic. Bankers (1931).	12	..	..
Nat. Utilities, 6%/48 ..	70	..	..
Ont. Building, 3%/43 ..	43	46	..
Oshawa Bldg., 3-4%/53	68	72	..
Prince Ed. Hotel 4%/47	40½	..	..
‡Prof. Offices, 7%/33-45	54	58½	..
Richmond Bay, 6½%/47.	98	100½	—½
‡Richmond Bldg., 7%/47.	11½	14	+1
•St. Cath. Stan., 5%/57..	64	..	..
Staveley Apts., 2½%/49.	62	..	..
‡Stk. Exch. Bldg., Vanc., 6%/44	49½	53½	+2½
Township Sandwich W.	29	32	—½
‡Trinity Bldg., 4%/52 ...	11	14½	..
United Steel, 5%/56 ...	101	103	..
Vanc. Georg. H. 6%/47	88	93	..
‡Wel'nton Bldg., 6½% ser.	62	65	..
West. Grn., 5% new bds.	80½	84	..
Wind. Court Apt. 3%/56	50½	..	..
W'nipeg El. cont. certs.	39½	42½	+3
York St. Bldg., 6%/43	88	92	..

•Issue carries arrears of interest.
‡Currently paying on interest arrears.

Dividends Declared

	This payment $	Date payable	Date of record
Alum. of Can., pfd.	1.25	Nov. 1	Oct. 1
Agnew Surpass, pf.	1.75	Oct. 1	Aug. 31
American Cyanamid	†.15	Oct. 1	Sept. 11
Do., pfd.	†.12½	Oct. 1	Sept. 11
Assoc. Brew., pref.	1.75	Oct. 1	Aug. 31
Ang. Can. Tele., pf.	.68¾	Nov. 1	Oct. 8
Ault & Wiborg, pf.	.37½	Nov. 1	Oct. 1
Bathurst Pr. & P., A	.25	Dec. 1	Oct. 29
Brit. Amer. Assur. .	1.50	Oct. 1	Sept. 27
Beatty Bros. A	.25	Oct. 15	Sept. 30
Brantford Cord., pf.	.32½	Oct. 15	Sept. 20
Bell Telephone	2	Oct. 15	Sept. 23
Biltmore Hats	.15	Oct. 15	Sept. 30
Bralorne Mines	.20+.15	Oct. 15	Sept. 25
Blue Ribbon, pfd.	.62½	Nov. 1	Sept. 30
Brazilian Tr. pf. .	1.50	Oct 1	Sept. 15
B.C. Elec. Pr. pf. .	1.50	Oct. 1	Sept. 20
B.C. Power (A)	.50	Oct. 15	Sept. 30
Bank of Nova Scotia	2.50	Oct. 1	Sept 15
Belding Cort.	1	Oct. 1	Aug. 31
Do., pref.	1.75	Oct. 1	Aug. 31
Brit. Amer. Oil	.25	Oct. 1	Sept. 8
Brockville Trust ..	.62½	Oct. 1	Sept. 20
Building Prod.	.15	Oct. 1	Sept. 15
Burlington Steel ...	.15	Oct. 1	Sept. 10
B. C. Telephone, pf.	1.50	Oct. 1	Sept. 16
Do., 2nd pref. ...	1.50	Nov. 1	Oct. 17
Caldwell Linen, 1st pf.	.37	Nov. 1	Sept. 30
Do., 2nd pref. ..	.20	Nov. 1	Sept. 30
Canada Life	5	Oct. 1	Sept. 30
Canb Bk. of Comm.	1.50	Nov. 1	Sept. 30
Can. Bronze	.37½	Nov. 1	Oct. 11
Do., pref.	1.25	Nov. 1	Oct. 11
Can. Gen. Invest. ..	.15	Oct. 15	Sept. 30
Calgary & Ed.■ ...	.05	Oct. 15	Sept. 11
Can. Nor. Power ..	■.15	Oct. 25	Sept. 20
Do., pref.	■1.75	Oct. 15	Sept. 20
Can. Perm. Mtge., c.	2.00	Oct. 1	Sept. 15
Canada Bread, pfd.	1.50	Oct. 1	Sept. 18
Do., B pref.	.62½	Oct. 1	Sept. 18
Canada Packers	1	Oct. 1	Sept. 1
Can. Steamships, c.	.50	Oct. 1	Sept. 1
Can. Canners	12½	Oct. 1	Sept. 15
Do., 1st pf. ..	.25+.05	Oct. 1	Sept. 15
Do., 2nd pf. ..	.15+.05	Oct. 1	Sept. 15
Canadian Car pf. ..	.52	Oct. 11	Sept. 21
Canadian Oil pfd.	2	Oct. 1	Sept. 20
Central Can. Loan ..	2	Oct. 1	Sept. 20
Can. Fairbanks, pf.	1.50	Oct. 15	Sept. 30
Can. Converters ...	.50	Oct. 30	Sept. 25
Can. Cottons	1.00	Oct. 1	Sept. 3
Do., pfd.	1.50	Oct. 1	Sept. 3
Can. Food Prod.	.50	Oct. 1	Sept. 15
Do., ...	.50	Jan. 1	Nov. 30
Can. Investors	.10	Nov. 1	Oct. 5
Cochenour W. Gold .	.03	Oct. 20	Sept. 30
Cons. Bakeries, ord.	.20	Oct. 1	Sept. 20
Can. Silk Products	†.37½	Oct. 1	Sept. 1
Canada Life	5	Oct. 1	Sept. 30
Can. Industries ...	1.25	Oct. 30	Sept. 30
Do., 7% pf.	1.75	Oct. 30	Sept. 30
Can. Gen. Elec. ...	.2	Oct. 1	Sept. 13
Can. For. Invest. c.	■1.30	Nov. 1	Oct. 1
Can. For. Inv., pf. ..	■2	Oct. 1	Sept. 1
Can. Breweries, pf.	.85	Oct. 1	Aug. 16
Can. Westinghouse■	.50	Oct. 1	Sept. 15
Cel. of Amer. prior pfd.	†1.75	Oct. 1	Sept. 17
Do., 2nd pref. ...	†.1.75	Oct. 1	Sept. 17
Do., pref.	†1.25	Oct. 1	Sept. 17
Consumers' Gas ...	2	Oct. 1	Sept. 15
Can. Wire Box A .	.37½	Oct. 1	Sept. 10
Chart. Trust	1	Oct. 1	Sept. 15
Cockshutt Plow	.25	Dec. 1	Oct. 30
Comm. Alcohols ..	.05	Oct. 15	Sept. 30
Do., pref.	.10	Oct. 15	Sept. 30
Carnation, pref.	†1	Oct. 1	Sept. 20
Dom. Oilcloth, p.	.30+.10	Oct. 29	Sept. 29
Dominion Bank	2	Nov. 1	Oct. 15
Dairy Corp.	1.25	Oct. 1	Sept. 15
Distillers Corp. pfd.	†1.25	Nov. 1	Oct. 15
Dominion Tar ...	1.37½	Nov. 1	Oct. 1
Dominion Textile ..	1.25	Oct. 1	Sept. 3
Do., pfd.	1.75	Oct. 15	Sept. 15
Dome Mines	■.40	Oct. 30	Sept. 30
Dom. Foundries, c. ...	.35	Oct. 1	Sept. 10
Dom. Glass	1.25	Oct. 15	Sept. 27
Do., pf.	1.75	Oct. 15	Sept. 27
Economic Invest., c.	.62½	Oct. 1	Sept. 1
Easy Wash., p.	.17½	Oct. 1	Sept. 15
Do., arrears ...	‡17½	Oct. 1	Sept. 15
East. Can. Savings	1.50	Oct. 1	Sept. 20
East. Steel, c.	.25	Dec. 1	Nov. 10
Eastern Trust	2	Oct. 1	Sept. 20
Fanny Farmer, c.	†.37½	Oct. 1	Sept. 11
Famous Players	.25	Oct. 1	Sept. 15
Foundation Co.	.35	Oct. 22	Sept. 30
Freiman, A.J., pf. ..	1.50	Oct. 1	Sept. 15
Gatineau Pr., 5% p.	1.25	Oct. 1	Sept. 1
Do., 5½% pfd. ..	1.37	Oct. 1	Sept. 1
Gen. St. Wares, p.	1.75	Nov. 15	Oct. 22
Gt. West. Sadd. pf...	.75	Oct. 5	Sept. 4
Do., 2nd pref.	.75	Oct. 5	Sept. 4
Guaranty Trust ..	1.25	Oct. 15	Sept. 30
Gt. L. Paper A B p.	.25	Oct. 1	Sept. 1
Gt. Lakes Power p.	1.75	Oct. 15	Sept. 30
Goulds Pumps, pf.	†1.75	Oct. 2	Sept. 22
Greening Wire	.15	Oct. 1	Sept. 1
Goodyear Tire	.62	Oct. 1	Sept. 15
Do., extra	1	Oct. 1	Sept. 15
Do., pref	.62½	Oct. 1	Sept. 15
Gt. West Life	3.75	Oct. 1	Sept. 20
Gordon & Belyea, A	2	Nov. 1	Oct. 22
Do., B com.	.40	Nov. 1	Oct. 22
Do., pref.	1.50	Oct. 1	Sept. 27
Guar. of N. Amer.	1.50+2.50	Oct. 15	Sept. 30
Guaranty Trust ...	1.25	Oct. 15	Sept. 30
Hart Battery ..	.10+.05	Oct. 29	Sept. 28
Ham. Cotton, pfd. ..	.50	Oct. 1	Sept. 15
Hinde & Dauch	.25	Oct. 1	Sept. 4
Humberstone Shoe .	.75	Oct. 7	Sept. 15
Huron & E. Mtge. ..	1%	Oct. 1	Sept. 15
Hollinger Cons. ...	.05	Oct. 7	Sept. 23
Imperial Bank	2	Nov. 1	Sept. 30
Inter. Bronze	.20	Oct. 15	Sept. 15
Do., pf.	.37½	Oct. 15	Sept. 15
Intern. Metal A ..	.25	Oct. 1	Sept. 15
Do., pref. A pf. .	1.50	Nov. 1	Oct. 15
Inter. Milling pfd.	•†1.25	Oct. 15	Sept. 25
Intern Power pf. .	1.75	Oct. 1	Sept. 10
Inter. Nickel, pf. .	†1.75	Nov. 1	Oct. 4
Invest. Found.	.75	Oct. 15	Sept. 15
Int. Util., pr. pf.	†.87½	Nov. 1	Oct. 21
Jam. Pub. Serv.	.17	Oct. 1	Aug. 31
Do., pfd.	▲1.75	Oct. 1	Aug. 31
Kerr Addison G. ..	.05	Oct. 28	Sept. 30
Kirkland Lake G. ..	.02	Nov. 4	Oct. 1
Lamaque Gold ..	.10+.10	Oct. 1	Aug. 31
Langley's pref.	■.50	Dec. 11	Dec. 3
Landed Banking	1	Oct. 1	Sept. 15
Lang, J. A. & Sons	.17½	Oct. 1	Sept. 10
Maple L. Gdns., p.	.70	Oct. 15	Oct. 1
Maritime Tele. ...	.17½	Oct. 15	Sept. 20
Do., pf.	.17½	Oct. 15	Sept. 20
McColl-Fron. pfd. ..	1.50	Oct. 15	Sept. 30
Modern Contain. ...	.30	Oct. 1	Sept. 20
Do., pref.	1.37½	Oct. 1	Sept. 20
Moore Corp.	.55½	Oct. 1	Sept. 8
Do., A. B. pref. .	†1.75	Oct. 1	Sept. 8
Murphy Paint	.20	Oct. 1	Sept. 10
Do., pref.	1.37½	Oct. 1	Sept. 10
Mtl. C.&D. Bank	3	Oct. 1	Sept. 15
Mtl. L. H. Pr.	.37	Oct. 30	Sept. 30
Montreal Telegraph•	.48	Oct. 15	Sept. 15
Nan.-Dunc. Util. ...	.25	Oct. 1	Sept. 15
National Grocers, p.	.37½	Oct. 1	Sept. 1
National Trust	2	Oct. 1	Sept. 15
National Brew.	.50	Oct. 1	Sept. 8
Do., pref.	.44	Oct. 1	Sept. 8
Nat. Steel Car.	1	Oct. 15	Sept. 15
Niagara W. Weav. ..	.25	Oct. 1	Sept. 8
Nor. Ont. Power ..	.12	Oct. 25	Sept. 30
Do., pref.	1.50	Oct. 25	Sept. 30
North Star Oil, pd.	.08¾	Oct. 1	Sept. 15
N. S. L. & Pwr. ord.	1.50	Oct. 1	Sept. 15
New Eng. Pwr., pf.	†1	Oct. 1	Sept. 22
Do., 2nd pref. .	.33⅓	Oct. 1	Sept. 22
Ogilvie Flour ...	.25	Oct. 1	Aug. 30
Ontario Loan	1.25	Oct. 1	Sept. 15
Ont. Steel Prod. ...	.25	Nov. 15	Oct. 15
Do., pref.	1.75	Nov. 15	Oct. 15
Ottawa Elec. Rly. ..	.50	Oct. 1	Sept. 1
Ottawa L. Pr.	.15	Oct. 1	July 9
Do., pref	1.25	Oct. 1	July 9
Paymaster Cons. ..	.01	Jan. 10	Dec. 10
Petrol. Oil	■.02	Oct. 1	Sept. 15
Page-Hersey, c. ...	1.25	Oct. 1	Sept. 15
Penmans	.75	Nov. 15	Oct. 15
Do., pref.	1.50	Nov. 1	Oct. 1
Photo Engravers, c.	.25	Oct. 1	Sept. 15
Pressed Metals	†.25	Oct. 1	Sept. 1
Preston E. D., c. ..	.05	Oct. 15	Sept. 15
Price Bros., pf. ..	1.37½	Oct. 1	Aug. 30
Power Corp., pfd. ..	■1.50	Oct. 15	Sept. 20
Do., 2nd pfd.	■.75	Oct. 15	Sept. 20
Porto Rico Pr., pf.	1.75	Oct. 1	Sept. 10
Premier Gold ...	.01½	Oct. 15	Sept. 15
Proprietary Mines	.05	Nov. 8	Oct. 8
Prov. Paper, pfd. ..	1.75	Oct. 1	Sept. 15
Quebec Power	.25	Nov. 25	Oct. 25
Regent Knit. c.	.25	Oct. 15	Sept. 15
Do., pref.	.40	Dec. 1	Nov. 2
Riverside Silk, A..	.50	Oct. 1	Sept. 17
Shawinigan W. Pr.	.22	Nov. 25	Oct. 25
Sangamo	.15	Sept. 30	Sept. 28
Silbak Premier ...	.02	Oct. 25	Sept. 25
Steel of Can.	.75	Nov. 1	Oct. 7
Do., pref.	.75	Nov. 1	Oct. 7
St. Law. Corp. pfd.	.25	Oct. 15	Sept. 23
St. Law. Paper, pfd.	.75	Oct. 15	Sept. 23
Stand. Paving, pfd.	.31¼	Oct. 1	Sept. 21
St. Law. Flour	.35	Nov. 1	Sept. 30
Do., pref.	1.75	Nov. 1	Sept. 30
Sher. Williams	.15	Nov. 1	Oct. 10
Do., pref.	1.75	Oct. 1	Sept. 10
Sheep Creek G.	.03	Oct. 15	Sept. 30
Simpsons, pf.	1.62½	Nov. 1	Sept. 30
Silverwood D.	.20	Oct. 1	Aug. 31
Do., pref.	.20	Oct. 1	Aug. 31
South Can. Pwr. pd.	■1.50	Oct. 15	Sept. 20
Stand. Fuel, pfd.	1	Oct. 1	Sept. 15
Do., arrears ..	1	Oct. 1	Sept. 15
Stand. Radio A, B ..	.10	Oct. 10	Sept. 21
Stedman	.15	Oct. 1	Sept. 20
Do., pf.	.75	Oct. 1	Sept. 20
Smith H. Paper, pf.	1.50	Oct. 20	Sept. 30
Sullivan Cons. ...	.02½	Nov. 15	Oct. 15
Sun Life Assn.	3.25	Oct. 1	Sept. 15
South Amer. Gold .	†.10	Oct. 4	Sept. 24
Sylvanite, c	.03	Oct. 15	Sept. 1
Toburn Gold	.01	Nov. 22	Oct. 22
Tamblyn, G., ...	.20	Oct. 1	Sept. 10
Do., pref.	.62½	Oct. 1	Sept. 10
Teck-Hughes Gold ..	■.10	Oct. 1	Aug. 31
Tip Top Tailors ...	.07½	Oct. 1	Sept. 1
Do., pfd.	1.75	Oct. 1	Sept. 1
Tor. Gen. Trusts	1	Oct. 1	Sept. 10
Toronto Mortgage .	1.25	Oct. 1	Sept. 15
Traders Fin., pf. ..	1.50	Oct. 1	Sept. 15
Tuckett Tobacco, pf.	1.75	Oct. 15	Sept. 30
United Fuel A	.75	Oct. 1	Sept. 10
Viau, pref	1.25	Oct. 1	Sept. 20
Wabasso Cotton	1	Oct. 1	Sept. 20
Walker-Good.	1	Dec. 15	Nov. 12
Do., pref.	.25	Dec. 15	Nov. 12
Weston, Geo., pfd.	1.25	Nov. 1	Oct. 8
Western Assur., c. ..	1.20	Oct. 1	Sept. 27
West. Koot. Pr. pfd.	1.75	Oct. 1	Sept. 22
Wood, Alex. & J., pf	1.75	Nov. 1	Oct. 15
Wr.-Hargreaves .	.07½	Oct. 1	Aug. 20
Weston Geo., c.	.20	Oct. 1	Sept. 4
Wilsil	.25	Oct. 1	Sept. 1
Do., ...	.25	Jan. 2	Dec. 1
West. Grocers	.75	Oct. 15	Sept. 15
Do., pref.	1.75	Oct. 15	Sept. 15
Ymir Yankee G.	.01 6/10	Oct. 6	Sept. 25

†N. Y. funds. ■Subject to approval of Foreign Exchange Control Board. ‡Payment eliminates arrears. •Net after corporate income tax.
▲Subject to Jamaican Inc. Tax (30%).
•After this payment rate reduced to $4 per annum.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 227

Notice is hereby given that a dividend of one and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1943, and that the same will be payable at the Bank and its Branches on and after Monday, 1st November next, to shareholders of record at the close of business on the 30th September, 1943. The Transfer Books will not be closed.

By Order of the Board,
S. M. WEDD,
General Manager.
Toronto, 22nd September, 1943.

Canadian Bronze Company, Limited

DIVIDEND NOTICE

The quarterly Dividend of 1¼%, on the PREFERRED STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of November, 1943, to Stockholders of record as of the 11th day of October, 1943.

Also a quarterly Dividend of Thirty-Seven and one-half (37½c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending October 31st, 1943. Payable the 1st day of November, 1943, to Stockholders of record as of the 11th day of October, 1943.

By Order of the Board,
W. C. PAQUETTE,
Secretary.
Montreal, P.Q.
September 24th, 1943.

Imperial Tobacco Company of Canada, Limited

NOTICE TO SHAREHOLDERS

BRANCH REGISTERS of transfers of shares in the capital of the Company will be established on October 1st, 1943, at Egham, Surrey, England, and in the City of New York, U.S.A. Thereafter any shareholder who so desires may, upon application and surrender of his or her certificates to Crown Trust Company, Montreal, have the shares represented thereby discharged to either of such branch registers. After the discharge of shares from the Montreal Register to either of such branch registers, entry of the transfer of the shares in question can be made only in such branch register, but such shares may, in like manner, be discharged to the register of transfers of the Company in Montreal or to its other branch registers of transfers.

Discharges between New York and Montreal registers on behalf of residents of the United Kingdom and all discharges to and from the branch register in England are subject to compliance with the United Kingdom Defence (Finance) Regulations.

By Order of the Board,
A. L. ROBERTSON,
Secretary.
MONTREAL, Que.,
25th September, 1943.

Proprietary Mines Limited

DIVIDEND NO. 13

NOTICE is hereby given that a Dividend of Five cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on November 8th, 1943, to shareholders of record at the close of business on October 8th, 1943.

By Order of the Board,
J. INGRAM,
Secretary-Treasurer.
Toronto, Ont., Sept. 27th, 1943.

Sullivan Consolidated Mines, Limited

Dividend No. 18

Notice is hereby given that a dividend of 2½c per share on the issued capital stock of the company has been declared payable November 15th, 1943, to shareholders of record at the close of business October 15th, 1943.

By Order of the Board.
A. ARCHAMBAULT,
Sec.-Treasurer.
Montreal, Que.
September 27th, 1943.

Quebec Power Company

NOTICE is hereby given that a dividend of twenty-five (25c) cents per share has been declared on the no par value common shares of the Company for the quarter ending September 30, payable November 25 to shareholders of record October 25, 1943.

By Order of the Board.
H. G. BUDDEN,
Secretary.
Montreal, September 28, 1943.

Winnipeg Grain Market

Livestock Men in Quandary

Foresee Changes in Government Coarse Grain Policy

From Our Own Correspondent

WINNIPEG.—Complications have developed in connection with the handling of oats and barley under the new scheme of extra payments recently announced by the Government. The difficulties arise with respect to those farmers who want to buy oats and barley for feeding livestock, and also those who may want to feed such grain of their own raising, and who may find livestock feeding less attractive than it was before the extra payments on coarse grains were announced. Some possible extensive changes in policy, perhaps involving price increases for livestock, are foreseen.

As announced, the new policy seemed very simple. When western farmers sell oats and barley on the market they are to be paid, on Government account, 10c. a bushel more than the market price for oats and 15c. a bushel more on barley. The Government itself is not buying these grains, but is simply asking the elevator companies which do buy them to pay out this money on its account. In turn the elevator companies are to be reimbursed by the Canadian Wheat Board.

In theory the Canadian Wheat Board will then recover the money paid out through "equalization fees" collected when permits are issued for the export of oats and barley to United States. Because prices for feed grains are much higher in the U. S. than in Canada, it has been possible to charge exporters high fees for permits, in the neighborhood of 30c. a bushel for oats and of 40c. a bushel for barley. In Canada prices of these grains are held down by ceilings. Whether the Canadian Wheat Board will be able to recover by sale of permits the $25 millions or so that will be paid out to farmers will depend entirely upon the proportion of such grains marketed which is exported.

Just now priority is being given to movement of feed grains to eastern Canada, with barley exports embargoed and exports on oats severely limited. Ceiling price for barley is 64¾c. per bushel at the head of the lakes and for oats, 51½c. a bushel. Eastern farmers are able to buy oats and barley at prices closely approximating these levels, since the Government for some time has absorbed freight charges, and more recently also storage costs in eastern elevators.

Western Expectations

The western farmer who has occasion to buy oats and barley will expect that he also should continue to buy them on the basis of such ceiling prices. But no longer can he count on his neighbor's willingness to sell grain to him, unless at prices that will include the extra payments that might be obtained by delivering such grain to an elevator. But if the country elevator sells oats and barley at 10c. a bushel less than the price at which these grains are taken in, it is going to require a lot of policing to make sure that the same grain does not pass twice or more times through an elevator in order to earn these extra payments.

When the new plan was announced the Canadian Wheat Board at once issued an order placing an embargo on all sales of oats and barley out of country elevators, an order doubtless intended to be temporary until safeguarding regulations could be promulgated.

Feeding Livestock Less Profitable

The majority of farmers, who feed livestock have been growing either all or more of their feed. Feeding livestock appeared to be quite profitable when feed grain prices were low. It will be less so now that the grain consumed may be disposed of at higher prices. These farmers are in the same position they would be in if market prices for feed grains had advanced through ordinary market action. They may not feel that they now have to scheme against the Government for some remuneration on the grain fed to their own livestock, but they will be acutely conscious of the fact that the new government policy does not benefit them as much as it benefits some of their neighbors.

No doubt everyone will agree that a farmer should not be able to take his oats and barley to an elevator, get the special payments on them, and then turn around and buy the same grain back at 10c. and 15c. a bushel less than he had been paid. But a farmer accustomed to grow barley to feed to his hogs may decide now that it will pay him better to sell the barley on the basis of a Fort William price of 79¾c. a bushel and replace that feed grain with oats, if he is to be allowed to buy oats on the basis of a ceiling price of 51½c. a bushel. Perhaps he will want to sell both oats and barley and obtain feed for his hogs by buying low-grade wheat out of an elevator. Many hot arguments have developed in western Canada during the past 10 days as to whether or not such practices would be legitimate.

A Way Out

One way out of the difficulty would be to say that all oats and barley sold in western Canada should be at prices enhanced by those extra payments. But that would constitute a grievance on the part of western feeders, who would be put at a disadvantage in comparison with livestock feeders in eastern Canada. The situation might be taken care of by providing an increased price for hogs produced and sold in the West, something which no doubt would lead to trouble with eastern farmers. Some experts who have examined the question have come to the conclusion that the Government may be considering increasing the price on oats and barley 10c. and 15c. per bushel respectively, the increase to apply all across Canada, while making a corresponding increase in livestock prices. Such a step might presumably mean a lot of further trouble.

Western agricultural authorities are anxious that western farmers should not be induced by these extra payments to reduce their livestock operations. They do not anticipate immediate difficulties in that respect because quite regardless of enhanced inducements to sell grain, elevator congestion now limits and will limit for a long time opportunities to sell it. But farmers' plans for livestock feeding have to be made well in advance, and it may be that this fall some farmers will be disposing of breeding stock which under other conditions they might have been inclined to retain.

DIVIDEND NOTICES

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of October, 1943.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of November to Shareholders of record of the 1st day of October, 1943.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of November to Shareholders of record of the 15th day of October, 1943.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.
Montreal,
September 21, 1943.

The Dominion Bank

Dividend No. 244

Notice is hereby given that a dividend of two per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 31st October, 1943, making a total distribution of eight per cent for the fiscal year. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of November, 1943, to shareholders of record of the 15th October, 1943.

By Order of the Board.
ROBERT RAE,
General Manager.
Toronto, 9th September, 1943.

Kirkland Lake Gold Mining Company, Limited

(No Personal Liability)

Dividend No. 18

A semi-annual dividend of two cents per share on the outstanding capital stock of the Company has been declared payable November 4th, 1943, to shareholders of record October 1st, 1943.

Taxes imposed on shareholders' dividends will be deducted where applicable.

By Order of the Board,
H. F. Cassidy,
Secretary-Treasurer.
Toronto, September 10th, 1943.

STELCO — THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND NO. 107

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Ordinary Shares of the Company has been declared for the quarter ending September 30, 1943, payable November 1, 1943, to shareholders of record at the close of business October 7, 1943.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Canada,
September 23, 1943.

Bathurst Power and Paper Co. Ltd.

Notice of Dividend on Class "A" Shares

The Board of Directors has today declared a quarterly dividend of Twenty-five cents (25c) per share on the outstanding Class "A" shares of this Company, payable on the 1st day of December, 1943, to shareholders of record at the close of business on the 29th day of October, 1943.

H. J. WEBB,
Vice-President and Treasurer.
September 27th, 1943.

The Shawinigan Water and Power Company

NOTICE is hereby given that a dividend of twenty-two (22c) cents per share has been declared on the no par value common shares of the Company for the quarter ending September 30, payable November 25 to shareholders of record October 25, 1943.

By Order of the Board,
H. G. BUDDEN,
Secretary.
Montreal, September 27, 1943.

STELCO — THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND NO. 129

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Preference Shares of the Company has been declared for the quarter ending September 30, 1943, payable November 1, 1943, to shareholders of record at the close of business October 7, 1943.

By Order of the Board,
H. S. ALEXANDER,
Secretary.
Hamilton, Canada,
September 23, 1943.

The Business Of Farming

By GORDON L. SMITH

Fears have been expressed that fewer farmers than usual will go to the bush in Ontario and Quebec this winter and take out pulpwood. Disregarding altogether the importance of such work, it might be pointed out that, in the majority of cases. men in eastern Canada who are able to leave their farms in the winter months are not, strictly speaking. farmers generally.

They are either operators of marginal or subsistence holdings or homesteaders clearing land for farms of the future. So far as the national war effort is concerned most of them are contributing little or nothing of immediate importance.

• • •

Year Round Jobs

Farm products most urgently needed this time are dairy, meat and poultry products, and these almost entirely come from a year-round-operated farm. The men with a dozen or so milking cows, three or four sows, which produce two litters of pigs a year; and a big flock of chickens, are busy on their home acres the year round. They have no time to go into the bush.

Most of the ones that do go in are from small bush holdings with little or no producing livestock. If output of pulpwood or any other local product is considered essential for the war effort, then it might be in the greater national interest to take them off their small clearings altogether for the duration and concentrate on the more urgent work.

• • • •

City Farmers Produce

It has been intimated by some agricultural writers in the United States that the heavy purchasing of farms by city people may reduce food production. It is assumed, apparently, that these farms will be held in idleness or else turned into non-food producing, country estates.

This may be true in the United States, although we doubt it, but it certainly does not appear to be true of Canada. On the so called "millinaire" farms, cost of production is often a good deal higher than with the "dirt" farmer but in the great majority of cases the former produces as much if not more food per acre.

Like the various types of government experimental farms the overhead of the "millionaire"farm is abnormally high because of elaborate buildings, fences and other equipment, including livestock, and the fact that practically all help is hired.

And in any case only a very small number of the farms bought by city people in the last ten years fall in the "millionaire" category. A much larger number have been purchased by small business men as summer or permanent homes, and also on the fringes of the cities, by workers who seek healthier surroundings, lower taxes and a place where they can raise their own fruit, vegetables and possible eggs and milk.

In all cases the land occupied is put to more intensive production for the simple reason that more labor is available and, in the case of the acre or so place, there is no market worry about the disposal of produce.

• • • •

Peace River Apples

Visible evidence of far north fruit growing arrived in the mail this week in the shape of a small yellow "harvest" type apple from W. D. Albright, Superintendent of the Dominion Experimental Station at Beaverlodge in the Peace River district of Alberta. This fruit was produced on a tree growing 429 miles north of the 49th parallel (Canada-U. S. midwest boundary).

Known as Heyer No. 12, Mr. Albright planted two of these trees in 1937, and three years later they began to bear. Only a little fruit was produced until this season, when production per tree averaged almost 25 lb., or about a half a bushel. The trees themselves are about 7 ft. tall and bush-like in appearance. At Beaverlodge there are at least two dozen other standard type apples and scores of varieties of crabs. Total crop from all ran over a ton this year.

Mr. Albright does not pretend that apple growing will ever become a commercial proposition in the Peace River District; it is nearly 500 miles north of the nearest real apple district. But he does believe, and at Beaverlodge he has demonstrated his point to a substantial degree, that it is possible for a settler to grow a considerable variety of hardy fruits, vegetables and flowers for his own use or pleasure, and that is an important factor in developing a home.

• • •

Postwar Market Bigger?

For more than a decade prior to the outbreak of this war, under the extreme nationalistic policies of such men as Hitler and Mussolini, European farmers have been urged to grow more and more wheat regardless of cost. Actual prices of wheat, when subsidies were added, ranged up to $2.50 a bushel in Italy and Germany, and almost as high in other countries where stiff tariffs applied. At the same time, better wheat could have been purchased from Canada for around a dollar a bushel.

Reason behind such uneconomic developments, of course, was the policy of the dictators to make their countries as independent as possible of outside food supplies so that when the war, they had planned, started, the navies of the democracies could not starve them out. If a real peace settlement follows the end of this war in Europe, however, that sort of uneconomic agriculture should largely disappear, and a permanent market open for North American cereals that will be bigger than anything perhaps we have ever seen.

VICE-PRESIDENT

R. G. Cavell, who becomes vice-president and general manager of Automatic Electric (Canada) Ltd. following transfer of the business and assets of Canadian Telephones & Supplies Ltd. to Automatic Electric. Canadian Telephones & Supplies formerly manufactured under designs and patents of Automatic Electric Co., Chicago.

Powell Opening Ore at Depth

May Sink Shaft For Further Levels Later This Year

From Our Own Correspondent

ROUYN.—Exploration on three new lower levels at Powell Rouyn Gold Mines, established at 1,700, 1,850 and 2,000-ft. depth, has been confirming the extension of ore to depth at this northern neighbor of Noranda.

On the 1,700 and 2,000-ft. levels, drifting along the main ore zone has disclosed 125 to 150 ft. of ore structure of mine-average grade across drift width. These ore bodies occur to the north of the main ore body as opened up on the 1,550-ft. level, on which horizon non-economic gold values were shown.

Coming Under Stope Area.

Both drift headings are now entering the zone below the 15-C stope area. On the 1,850-ft. level, the cross-cut from the shaft has entered the main shear and drifting to the south is to be advanced as labor is available.

Drift development on all three levels will be continued south with a length of upwards of 2,000 ft. to be explored. Diamond drilling from below the No. 3 (south) shaft has returned encouraging ore intersection of 18-ft. widths from 1,100 to 1,400-ft. depth.

New Drilling Ahead.

As drifting is carried south on the 2,000-ft. level, further drilling to depth from the hanging wall will be done for exploration of the depth continuity of the main ore structure.

A new heavy duty hoist has been installed and is now in operation. The main shaft has been sunk to 2,200-ft. depth, with ore passes completed to a loading pocket at 2,150 ft. Consideration may be given to further sinking of the shaft later in the year to establish three further low levels at 2,150, 2,300 and 2,450-ft. depth.

DIVIDEND NOTICES

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 20

Notice is hereby given that an interim dividend of five cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on October 28th, 1943, to shareholders of record at the close of business on September 30th, 1943.

By Order of the Board.
G. A. CAVIN,
Secretary-Treasurer.
Toronto, Ontario.
September 25th, 1943.

General Steel Wares Limited

DIVIDEND NOTICE

Notice is hereby given that a fixed cumulative dividend of $1.75 per share, being at the rate of 7% per annum in respect of the three months' period commencing on the 1st day of August, 1943, and ending on the 31st day of October, 1943, has been declared on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, payable on the 15th day of November, 1943, to shareholders of record at the close of business on the 22nd day of October, 1943.

By Order of the Board,
FRANK S. BROPHY,
Secretary.
Montreal, September 24th, 1943.

Power Usage 12% Over '42

All Provinces Share in Higher Power Consumption During August

From Our Own Correspondent

MONTREAL. — Consumption of primary power in Canada during August at 3,015 million kw.h. was 12% greater than for the like month a year ago.

According to the Dominion Bureau of Statistics central electric stations produced 3,199 million kw.h. of energy during last August. This contrasts with 2,794 million kw.h. for the same month a year ago. All provinces shared in the gain.

For the first eight months of the current year the industry produced 24,706 million kw.h. compared with 22,924 million kw.h. for the same period of 1942.

Reports to the United States have shown a slight increase this year, while the amount of primary power consumed up to the end of August at 23,235 million kw.h. compared with 21,165 million kw.h. for the January-August period of last year.

Increase Was General

The rate of consumption in each of the provinces for August, together with comparative figures for the same month last year, follows:

(Thousands of Kilowatt Hours)

August	1943	1942
Prince Ed Island	795	725
Nova Scotia	49,230	35,687
New Brunswick	44,869	34,907
Quebec	1,559,202	1,286,310
Ontario	952,867	946,336
Manitoba	92,769	88,172
Saskatchewan	53,857	51,648
Alberta	42,736	36,136
British Columbia	218,798	212,000
Total	3,014,923	2,602,399

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Search For Metals

Mining Hunt Changes Direction

Many Strategics Not Sought – Gold to the Fore

By GORDON M. GRANT

Immediate corollary of the Howe-Bateman announcement that Canada is now self-sufficient in both molybdenum and tungsten, and that the U. S. Metals Reserve Co. contracts for mercury and cobalt are not likely to be renewed, is expected to be a sharp change in the direction and character of exploration for new mineral deposits in this country.

Activities will likely take radically different form when next year's prospecting season rolls around. The search for gold, already undergoing a revival, will likely receive a further stimulus with the United Nations' supply situation in much better shape as regards most strategic items.

Why Hunt For Gold

Some zealots, seriously concerned over the manpower shortage at base metal mines and elsewhere, apparently can see no possible justification for gold prospecting at this time. But with only a few strategic items which it is still worthwhile prospecting for, it would seem to be harsh to say that prospecting for gold should not be carried on. The very few prospectors remaining in the field are mostly old timers now and they would certainly not fill the base metal mines most crying need, the need for skilled underground men.

The fact that no substantial deposits of copper, nickel or zinc, the non-ferrous metals still needed in greater quantities, have been discovered so far this war tends to confirm the view that gold again will secure the major emphasis in prospecting.

A survey of the situation in respect of various strategic minerals shows why emphasis is shifting away from the group.

Might Put Foot Down

With the Emerald tungsten property—North America's largest tungsten mine—closed due to the improved United Nations' supply situation, it would seem rather foolhardy for the individual prospector any longer to seek a commercial deposit of tungsten, hoping that the government would allow men and materials for placing it in production. Similarly, with both the Dome Indian mine and the government-operated La Corne property in production and able to supply more molybdenum than our domestic industry consumes, it does not appear likely that government authorities would view with favor large expenditures on new molybdenum properties unless a deposit of much better grade and tonnage than anything yet disclosed should be available. In any case, favorable contracts for sale of tungsten and molybdenum can no longer be expected to be available from the Dominion Government.

Mercury Situation Important

Canada has a large stake in mercury. Consolidated Mining & Smelting Co., which holds the British Empire's largest mercury producer, sells part of its output to the Metals Reserve Co. and will be affected by non-renewal of Metals Reserve Co. contracts. However, the Smelters deposits are of good grade and it is quite possible, if not probable, that profitable production can be continued without the assistance of special United States contracts. Other potential producers of mercury, such as Bralorne Mines, may find it desirable to alter their plans as a result of new developments.

Changes have come rapidly on Canada's mineral development front this past week. No longer are strategics in the "badly needed" category of a few months ago. While a certain number of items are still desired in greater quantities, perhaps the majority of items needed for the war effort are now in fairly adequate supply.

With this background, and the likelihood that other items may soon be available in larger quantities, prospecting for strategic minerals will likely be on a definitely reduced scale from now on. As a result, prospecting for gold — and diamond drilling of gold prospects — promises to gain in the months ahead.

Cobalt operations have all been small scale in character and the Werner Lake operation of N.B. Davis and certain old Cobalt leasing operations, will likely be chief sufferers in this field.

Others Metals' Situation

With four of the chief war minerals—molybdenum, tungsten, mercury and cobalt—on the "not wanted" list, the number of strategics still desired has been greatly narrowed. Chrome supply is better now. Demand for copper, nickel and zinc is taxing supply sources but the best information available suggests that increased production will be sought by curing the employment situation at existing mines rather than by engaging in the opening of new properties, when available. New properties could hardly be expected to contribute to supply for a year or two hence. Lead is not in sufficient demand for war purposes to expect any new mines to be placed in production unless the war should last much longer than appears indicated at present.

If new non-ferrous metal mines are not to be opened, prospectors may be inclined to remove these minerals also from their list of those which may be sought profitably.

The list of remaining strategic minerals which are thus likely to be sought has undergone major diminution. Fluorspar, vanadium, tin, iron, Iceland spar, certain grades of mica, and manganese are thus the main items still sought after.

With even some of these, it is a question of whether or not the supply situation will be difficult for long.

Prospectors may not regard it as good business to prospect for minerals where the demand may fall off at an early date. With fewer minerals to look for, the chances for a worthwhile find in the strategic mineral field may thus be greatly diminished.

Drillers to Aid Golds?

This past season, prospecting for gold has been actively resumed and this hunt may be accelerated now that the strategic mineral problem is well on the way to being cured. With new strategic mineral deposits being explored, diamond drill firms will likely be competing more actively than ever for available business in the gold mining field.

The total manpower devoted to prospecting and diamond drilling is remarkably small and not of a character suitable for underground work at base metal mines. Most of the really able bodied prospectors are in the armed services or war industries now and it is mostly the "old timers" that are continuing with prospecting. Some of the prospecting is of the spare time variety.

People well acquainted with the mining industry feel that the proving up of a number of gold prospects for operation after the war may be much more important than any possible loss to the war effort in limited hunting for gold now. Gold is no longer a favored industry as far as taxation is concerned and with restrictions on placing new mines in production, it is not likely that renewed activity in gold mining will mean any important new drain on resources.

Francoeur Net Grows Larger

Better Control Over Grade of Ore to Mill Helps Output

From Our Own Correspondent

ROUYN.—With a better control being exercised over stoping, or mining of ore, Francoeur Gold Mines has been able to increase output materially the last three months due to treatment of a better average grade of ore.

Output of $40,425 secured from milling of 5,690 tons of ore in August was the highest monthly production total for the year to date and compares with $35,519 in July, $32,569 in June, and $30,615 in May. Output for the first eight months now totals $270,186.

$66,460 Profit This Year.

Operating profits have shown corresponding increase, the operating profit of $13,682 for August, being slightly more than double the $6,326 of May. The August operating profit alone was 20% of the working profit of $66,460 for the first eight months of this year.

Preparation of stopes is stated to be well in hand and prospects appear improved for maintaining production at around present levels or better if the labor situation does not become more acute. In the No. 8 ore bodies, which occur to the north of the main fault, sub-levels have been driven above the second level to the north. This will provide closer control of mining in the higher grade ore bodies, disclosed by diamond drilling to the east.

A Long Favorable Zone.

The total over-all east to west extension over which ore showings have been found is upwards of 4,500 feet—from the No. 1 shaft to the west ore body. Practically no exploratory development has been done to depth, and all mining has been above the 400-ft. horizon.

It appears there are two sections of the mine that could be explored to depth readily. In the west zone, crosscuts to the north would establish drilling stations from which diamond drilling to depth along the fault zone would be of value. The north-dipping structure would return intersections close to normal.

The area between Nos. 1 and 2 shafts is indicated as potential, both along the fault plain and to the north for recurrence of the higher grade No. 8 ore structures. The No. 1 shaft workings are flooded at present but they are known to contain 35,000 tons of 0.25-ounce grade ore. Dewatering could be accomplished readily with exploration west to the No. 1 shaft workings. This would allow exploratory drilling along the fault zone and to the north of the hanging wall area.

Eventually considerable extension of exploration will probably be decided on, but with the present shortage of labor, efforts must be chiefly concentrated on further development of known ore bodies and actually mining of ore.

The Week in Oils

From Our Own Correspondent

CALGARY.—Production quotas, providing for total yield of 65,500 bbls. per 30-day period, have now been assigned to six of the recent completions in Turner Valley, placed on steady production during the past several weeks. Best of the new wells, and largest producer in the field is British Dominion No. 5, given a quota of 24,000 bbls. per 30 days, with daily maximum yield set at 900 bbls. This well is located in L.S.D. 5 17-21-3w5, in the north extension of the field.

Second ranking of the new producers, among the top few wells, in the field, is the south extension completion, Imperial-Hudson Bay No. 15. This well has a quota of 12,000 bbls. per 30 days, with daily maximum set at 600 bbls. Location is L.S.D. 1 8-18-2w5.

Tied in third place among the wells are Foothills No. 15, north extension "east side lime" test and Royalite No. 67, northwest flank test. Each of these wells has been assigned a quota of 10,500 bbls. per 30 days, with daily maximum set at 400 bbls.

Devonian Test No. 1, Central Flank test in L.S.D. 2 25-19-3w5, has been assigned a production quota of 4,500 bbls. per 30 days, with daily limit set at 175 bbls. Maryland Petroleums No. 1, north extension test in L.S.D. 8 18-21-3w, has been assigned a quota of 3,000 bbls. per 30 days, with daily maximum set at 350 bbls.

* * *

Vermilion Works Ahead

With 20 wells making oil during the month, the Vermilion oilfield will be credited with a total yield of some 10,441 bbls. for August. The 20 wells actually produced some 9,321 bbls. in August, but in addition recovered 1,120 bbls. of previously produced oil from the sump pits, bringing total to 10,441 bbls. July yield was 9,998 bbls. June yield was 4,424 bbls, with 1,668 bbls recovered from sumps, for a total of 6,092 bbls. Production was only 1,094 bbls during January. August yield boosts total from the field since inception to 125,620 bbls.

* * *

New South End Well

When Imperial-H.B. No. 15 was brought in a few weeks ago as a large producer in the far southeast section of Turner Valley, it was a foregone conclusion that its success would result in further drilling in the immediate area. The well, in L.S.D. 1 8-18-2w5 is offset to the north and to the west by other south extension producers, leaving east and south offsets as the most probable new locations. This week the first of the offsets was announced.

The offset, to be known as Major-National Oils No. 16, will be drilled immediately quarter of a mile east of the Imperial-H.B. 15, in L.S.D. 4 9-18-2w5. Financed by a private company, Major-National Oils. Drilling Contract to 8,300 ft. has been let to Major Oil Drilling Co., which will use its own heavy duty rotary. Operations will be supervised by the National Petroleums.

* * *

Test Viking-Kinsella

Imperial Oil has staked its inital Viking-Kinsella area test. The well, to be known as Imperial-Viking No. 1, will be drilled in L.S.D. 5 20-47-13w4, two miles south and four miles west of the town of Viking, and about seven miles southwest of the southern end of the big Viking gasfield.

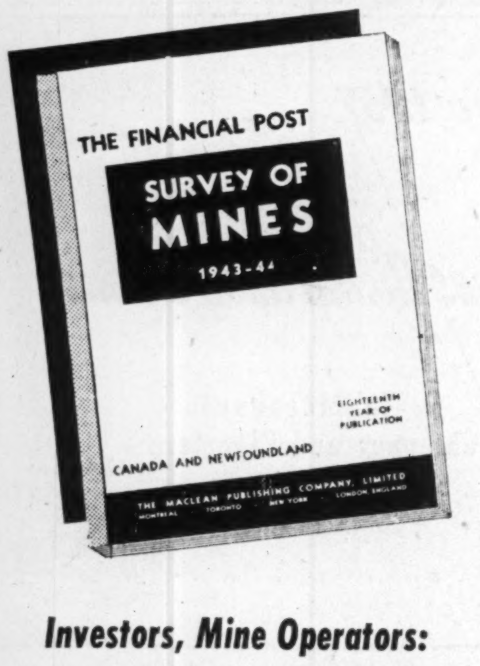
* * *

Cannar Oils Ltd. has taken out two further drilling permits, both for the Vermilion Oilfield. Cannar No. 18 is in the southwest quarter of L.S.D. 16 30-50-5w4, while Cannar No. 19 is in the northwest quarter of L.S.D. 9 30-50-5w4. Both wells are being started immediately.

* * *

Another Taber Test

Imperial Oil and the R. L. Clancy interests have staked location for their second joint Taber area venture. Location is in the northeast ten acres of L.S.D. 14 10-9-16w4, 2½ miles east and three-quarters of a mile south of the Dominion Taber-Province producers, and two miles west and a mile north of the Imperial-Clancy No. 1 well, which was abandoned last week after drilling into water in the base of the Ellis shale. The Imperial-Clancy No. 2 will be spudded in the immediate future, using the light rotary from the No. 1 test.



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New McColl Subsidiary Works On Huge Alberta Acreage

From Our Own Correspondent

CALGARY. — The McColl-Frontenac Oil Co. has formed a new Canadian subsidiary, Red Indian Exploration & Development Co., to take over three reservations totalling 125,120 acres in southern Alberta acquired in June from the Alberta Government in the name of E. H. Hunt, McColl-Frontenac chief geologist. The blocks adjoin the Alberta-Montana border. Geological and geophysical work is already under way.

One of the new reservations, totalling 60,000 acres, extends east from the Pinhorn post office, and includes all of Twp., Ranges 8 & 7w4, the west half and southeast quarter of Twp. 1, Range 6w4. The other two reservations form a solid block covering 65,000 acres, adjoining the Red Coulee oilfield to the west, covering Twp. 1, Ranges 17 & 18w4, and the south half of Twp. 2, R nges 17 & 18w4. Th block is adjoined to the north by a 54,000-acre reservation held by Shell Oil of Canada, and to the east by a larger reservation held by the Island-Pacific Oil Co. (which is associated with the Standard of California's Dominion Oil Co.).

Red Indian's parent, McColl-Frontenac, is associated with the Texas Co. McColl-Frontenac holds Reservations totalling 600,000 acres in southeastern Alberta, trending northeast from Twp. 4, Ranges 7 to 9w4 to Twp 11, Ranges 2 to 5w4. These reservations and those held by Red Indian have been the object of intense geological and geophysical work this summer. Initial drilling is expected to get under way in the near future.

Another item of interest this week was an announcement that a reservation of 20,000 acres has been taken out in the name of E. H. Hunt, McColl-Frontenac's chief geologist. This new reservation adjoins the Red Indian Pinhorn block to the west, and covers the southeast sixth and most of the north half of Twp. 1, Range 9w4, and most of the south third of Twp. 2, Range 9w4.

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Mining Concentrates

Halliwell Gold Mines has shipped its first car of fluorspar, it has been announced, and it is expected that another car will be shipped during the present week. Shipments from this mine, located in the Madoc district of Ontario, will be between 300 and 500 tons this month, but it is expected that the rate will later be raised to 1,000 tons a month, reports state.

* * *

Marbenor Malartic Gold Mines has a diamond drilling program under way on its 1,674-acre property, about 2,500 ft. north of the holes drilled last year. Reports on five holes drilled state that in three the sheer zone was located and in one mineralized quartz veins cut over two vertical distances, from 116.6 to 129.3 ft. and from 139.5 to 140.6 ft. At the annual meeting of the shareholders the balance sheet presented showed $31,350 in cash and $3,015 in government bonds. The board of directors is now constituted as follows: W. H. Englebright, president; Arthur W. Carr, vice-president; W. H. Salter, K.C., secretary; J. P. Norrie, Wm. Sixt, Seymour Trent and J. O. Roddick.

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The names and standing of the men who direct the activities of Canadian Mineral Equities, Limited are sufficiently well known and deservedly respected in Mining and Finance to give purchasers of the Company's shares complete confidence that wisdom, wide knowledge, and proven integrity govern the Company's operations. This means, actually, that by investment of some of your funds in these shares you enlist, for your own use, and to your own advantage, the services of a group of men of high calibre who have wide knowledge of the mining business, understand it, know markets, appreciate the requirements and fine points of finance, and are pledged to protecting your capital, securing income returns for you, and seeing that you share in the profits that the progress of mining in Canada will bring to investors during the next few years.

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Money Metal

"Gold Is Needed For Stability"

So Says Economist of Bank of International Settlements

Out of war-torn Europe recently came a clear indication that economists there believe gold can help establish postwar international finance on a sound basis.

In a key speech to the Swiss Bankers' Association on "The Future of Gold is At Stake"—in reality an objective discussion of what is desirable in postwar international exchange—Per Jacobsson, Economic Adviser to the Bank of International Settlements, concludes that while it is possible to conceive of a monetary system not based on gold, tying currencies to gold possesses certain concrete advantages which outweigh any drawbacks.

Break-down of the gold standard and the German ability to increase production without inflation and without gold, he considers "the chief reasons for the lack of confidence in the gold standard." But behind the gold standard break-down he sees a Versailles treaty which called for great reparations without machinery to liquidate them, the raising of tariff barriers to complicate payment still further, and, finally, U. S. cancellation of short term loans to European debtors. Any system not based on gold would have broken down too, he says.

Mr. Jacobsson points out that German economic expansion was only made possible by the emergence of substantial savings—the product of rigid regimentation, the placing of wages in a strait jacket, high taxes and a control on the distribution of profits in dividends.

Gold in the Future

Of the postwar situation, Mr. Jacobsson has this to say:

The measures to be taken immediately after the war will be determined by the difficulties then arising, and it will be some time before considerations of principle gradually impose their weight.

There are not so many methods to choose between when it comes to providing sufficient elasticity in external payments. In theory it would be possible for the whole world to choose the currency of a single country as a basis for its monetary reserves; but, quite apart from the fact that the political implications make such a development unlikely, it is clear that under a system of that kind the currencies of the other countries would be to a very great extent dependent upon the financial and economic policy of the central country. The confidence generally enjoyed by sterling before 1914 was due, among other things, to the fact that in London gold could at any time be bought with sterling at a price that fluctuated within very narrow limits.

If the newly created currency system of the future did not offer the same possibility of obtaining gold, there would be nothing to depend upon but one's confidence in the central currency and, should times of crisis return again, it would soon be apparent how far such confidence was still justified.

But, if it is a question of including something besides foreign exchange in the monetary reserves of the central banks, then recourse to gold is almost inevitable. Hence it is not surprising that competent circles generally recognize the utility of gold as a liquid means of payment between countries and thus as a component of monetary reserves.

In this connection the question of cost will hardly be of decisive importance. It is true that the continuous extraction of gold from the earth is a costly process, but other monetary systems are also expensive—perhaps just as expensive as the gold system, if all factors are carefully considered.

"It is true that the continuous extraction of gold from the earth is a costly process, but other monetary systems are also expensive — perhaps just as expensive as the gold system, if all factors are carefully considered."

So states Per Jacobsson, Economic Adviser to the Bank of International Settlements. Mr. Jacobsson, who enjoys a unique and informed position in international banking, sees the use of gold as "almost inevitable" in any well-organized banking system after the war.

Can This Be Previewed?

Before 1914, when the gold standard had free play, movements of gold not only served for the settlement of balances but also influenced the credit policy of the different countries and ultimately the supply of means of payment to their economies. It has often been said that this function of gold can never be revived.

This brings us to a very difficult problem which is of fundamental importance but nevertheless is likely to find a uniform solution. So long as the war lasts, the various countries in their domestic credit policy will pay scant attention to changes in gold reserves and foreign assets. All the same, it should be observed that for many countries it is no easy matter to prevent movements in foreign assets (including clearing balances) from affecting the volume of credit. Such movements exercise upon the credit structure certain direct influences which as a rule cannot be neutralized without special measures.

These influences are usually strongest when the changes in the foreign assets represent a surplus on the current account of the balance of payments; in such cases they are usually indicative of disequilibrium which, at any rate in normal times, calls for correction . . . We know now —taught by bitter experience—that a lack of equilibrium can have devastating consequences . . . Even in a multilateral clearing system, equilibrium must be maintained if the system is to work smoothly. It is all a question of whether the various countries are prepared to take measures which may be unpleasant but are certainly necessary in order to ensure international equilibrium. According to individual circumstances, not only prices but also wages might possibly have to be reduced. Nowadays a change in the discount rate cannot be relied upon to effect an automatic adjustment of wages.

The monetary authorities alone are no longer in a position to give effect to a policy of cost adjustment: to be successful, they must be assisted by direct action of the main economic groups in the country (including the labor organization). Co-operation of labor or resistance by labor may make all the difference with regard to the monetary policy that can be pursued.

When Devaluation Needed

There are likely to be cases of maladjustments in which correction will have to be made by a depreciation of the currency, since in normal circumstances reductions of wages by anything like 20 or 30% might well expose the social fabric to too great a strain and too heavily increase the burden of public and private indebtedness. On the other hand, a maladjustment which would be corrected by a reduction of costs by, say, only 10%, should be rectified in that way rather than by altering exchange rates.

In normal times adjustments on this scale are usually sufficient to ensure stable exchange rates. A widespread understanding of the conditions to be fulfilled for a sound functioning of the monetary system is very desirable . . . In smaller countries—such as Sweden and Switzerland, where prosperity depends to so great an extent on the export trade—the working classes are as a rule more alive to the necessity of cost adjustment than in large countries, where the domestic market is of prime importance. Owing to their dependence on the world market the smaller countries realize that their economic flexibility must suffer no diminution — otherwise their often surprisingly high standard of living could not, in the long run, be maintained. In the end everything depends on whether countries are prepared to submit to the discipline which membership in a stable international monetary system demands.

"Discipline Necessary"

There are no doubt many who think that a more dynamic economic policy could be pursued if there were no need to pay attention to gold parities and gold movements. They may be cherishing an illusion, however, for other systems, such as the multilateral clearing house, also call for a high degree of discipline, if they are to function at all. Before 1914 it was one of the great advantages of the international gold standard that it effectually ensured voluntary discipline in the monetary policy of the various countries without its being necessary for their sovereignty to be restricted. When the war is over, one of the first tasks will be to prevent inflation in the countries most seriously affected.

Secondly, in order to ensure a durable equilibrium, both financial and economic, the granting of monetary credits and other support will be of the utmost importance. But, unless handled in a clear-sighted manner, credit assistance may be a dangerous expedient.

In credit and currency policy, as in other human concerns, nothing lasting can be constructed without understanding and effort. In the past, gold has proved a useful auxiliary as a technical means and for the maintenance of discipline. Even in the Old Testament it was recognized that more than that is needed: How much better is it to get wisdom than gold, and to get understanding rather to be chosen than silver!

The monetary collapse in the '30's has taught us it is by no means sufficient merely to re-establish the gold standard with the aid of loans. Only a system designed and handled with great wisdom can effectively guarantee ordered monetary conditions. It is not a matter of merely applying automatic rules but of fulfilling certain fundamental conditions, lest monetary chaos return once more.

Mining INVESTMENTS

How drastically gold production is dropping in Canada is revealed by D.B.S. figures on July output. The month's production was only 292,561 oz—compared with 428,323 oz. in July, 1942, and 326,611 oz. in June, 1943, just a month earlier.

When it is considered that approximately 17% of the gold output is derived from base metal mines and that base metal mines' gold output has actually been increasing, with more base metals turned out, the drop in gold production from gold mines alone has been even more precipitate than the above figures indicate. For the first seven months of 1943, output from gold mines by themselves showed a decline of 27% from a year ago. It appears likely that production figures for August and September would show gold mines' output running even lower than in July.

The gold production figures provide eloquent testimony that gold production in Canada has been curtailed in the interests of an allout war effort. Employees totalled only 18,695 in July against 25,617 a year ago.

The monthly record of Ontario, Quebec and British Columbia, the Dominion's chief gold-producing provinces is as follows:

	—Fine ounces— 1943	1942
Ontario:		
January	200,960	226,267
February	187,293	215,921
March	195,701	255,742
April	182,880	247,675
May	175,841	252,884
June	180,153	240,483
July	167,523	239,110
Quebec:		
January	76,594	99,562
February	84,280	90,264
March	95,499	98,683
April	85,748	94,989
May	85,605	94,003
June	77,873	90,484
July	71,101	90,626
British Columbia:		
January	23,802	47,518
February	25,218	43,863
March	24,502	51,726
April	23,653	43,300
May	22,075	41,413
June	21,497	46,042
July	18,150	52,408

* * *

The Werner Lake area, 50 miles northwest of Kenora, Ont., is attracting considerable attention for its cobalt possibilities, the Engineering & Mining Journal reports. Noting that high-grade cobalt concentrates are being turned out with a 20-ton mill at the Norman B. Davis property, the U. S. publication reports that this, apparently Canada's most important source of cobalt ore, has attracted the attention of several larger mining companies, including Noranda, Dome and Central Patricia. A small portable diamond drill is said to have been taken in to test the Noranda holdings.

No information is available as yet as to whether production in the area can be continued without special government contracts for cobalt.

* * *

Zinc, not long ago a critically short war material, is in much better supply position and may shortly be in a position of over-supply, U. S. dispatches state. Production of high-grade zinc across the border has increased this year in line with expectation and the war reserve is stated to have reached the point where storing the metal is causing some concern about the future basis of settlement.

Renegotiation of contracts has been mentioned in Washington but producers claim that zinc does not fit into the group of products originally included under the flexible pricing arrangement. It now appears that the conversion of ordinary zinc, into high-grade zinc is to be restricted.

* * *

Lithium continues to attract the attention of Sherritt Gordon Mines and Frobisher Exploration Co., the subsidiary of Ventures Ltd. which has been concentrating on war metals. An option is stated to have been taken on a second lithium property in the central Manitoba area with a drilling program planned shortly under joint auspices of the two companies.

Considerable acreage was staked around the two claims covering a first lithium discovery in the Herb Lake area and metallurgical research work at Sherridon is reported to have shown a good concentrate could be turned out if desired. Location of the deposit, 25 miles from the Hudson Bay property, however, was stated to be against an early initiation of productive activities.

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Planning Road To Steep Rock

Upon return this week from his maiden trip of inspection of Ontario's northern highways, Provincial Highways Minister Hon. George H. Doucett revealed that demands of traffic centring on the new Steep Rock Iron Mines property, three miles north of CNR Atikokan station, may hasten construction of the long proposed "Dawson road extension" westerly from Fort William through Quetico Park.

Asked by The Financial Post whether it could be considered a wartime project, Mr. Doucett said that depended largely upon the labor situation and asked: "Where, this year or even next, could we get labor to carry out the project, however necessary?"

He was unable, he said, to suggest how soon the work could be undertaken, but The Post understands it will get first call on roadbuilding as soon as such becomes available.

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Eleven miles of new road is now being constructed to the Ram River anticline in order to join up with a government maintained highway, insuring an all weather road.

Equipment for the immediate drilling of Ram River Oils Limited No. 3 well is being made ready. This No. 3 well will be much larger in diameter than that of Ram River Oils Limited No. 2 discovery well.

Ram River No. 3 well is to be drilled so as to penetrate the same zone as that now producing in Ram River No. 2.

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Production Engineers
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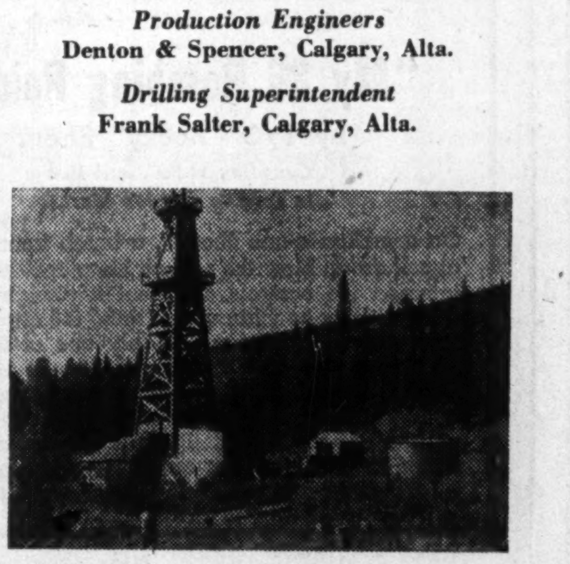
Drilling Superintendent
Frank Salter, Calgary, Alta.



Storage facilities being erected at Ram River location, one tank now in position.

Above is a view of the flare at Ram River No. 2 during a series of preliminary tests made following the strike of high test oil.

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Investing For Tomorrow **Article No. 13**

Further Growth for Loblaws

Expect Expansion Confined to Ontario for Some Years

By BRUCE MacKINNON

In no line of retail merchandising are the twin factors of efficient management and efficient personnel more essential to success than in profitable operation of a chain grocery store system.

Ever since 1921 Loblaw Groceterias Co. has been able to preserve these two characteristics with the result that the organization which started out with two stores in 1921 now has 113 units operating on the self-service system throughout the province of Ontario. The Loblaw company, one of the earliest of the purely Canadian chain stores, has proved to be one of the most successful. Loblaw's rate of operating profit per store, and per dollar of sales are the highest for any chain store system on the continent.

Flexibility Is Important

One of the essentials of successful operation in this field is maintenance of a high degree of flexibility. Chain store management must be constantly active to enlarge or contract its services in all of the areas it covers if it is to maintain that degree of efficient service which the public demands of such a system and which is essential to its profitable operation.

At present, wartime restrictions have temporarily put a stop to further expansion into new areas, and have made it extremely difficult to expand facilities in line with the rate of growth of areas where the company has already established outlets. Wherever possible, it has been the recent policy of the company to establish market-type outlets where a complete line of meats and fruit is handled in addition to grocery lines. At present, 96 of Loblaw's 113 units are of this type. With average sales of $349,017 per store, most of these would qualify as "super markets" according to U. S. terminology, but the Loblaw company does not use this term itself.

Rationing and shortages of a number of lines of merchandise have restricted the company's ability to concentrate on items which are most profitable and on which the largest profit margin exists. Result has been that in the year ended May 29, 1943, total sales were some $3.5 millions below the figure for the 1942 fiscal year, while percentage of earnings before income taxes also slumped, dropping from 4.87% to 4.35%. At the same time the enlistment of over 1,200 Loblaw employees in the armed forces has rendered the company's policy of providing skilled personnel to operate its stores considerably more difficult. It has long been a cardinal principle of Loblaw operations that wherever possible young and inexperienced employees should be taken on and trained to meet the company's service standards. A large proportion of the Loblaw executive staff has been drawn from the newcomers.

To Resume Expansion

For the future, the wartime disadvantages under which Loblaw has been operating may be expected to disappear very rapidly, and with their disappearance, it is expected that Loblaw will resume the expansion program that has now been postponed.

In what directions will this expansion take place?

Undoubtedly one of the first jobs on the postwar agenda will be to re-assess the requirements of the territories which Loblaw is now serving, and adjust individual units in these territories to suit the permanent changes that the war has brought.

One of the changes expected to be most noticeable is the growth of many medium-sized centres in Ontario which has come about through shifts in population during wartime. In the years before the war a tendency had already developed for manufacturers to locate in smaller centres where production costs in many cases were lower than in large centres.

Migration of this type is, of course, restricted to companies whose sources of raw materials, markets or transport costs do not render their location in a major centre essential, but it is anticipated that the movement that was in evidence before the war will be continued after the war, particularly since it has received a stimulus by the development of war plants in many medium-sized centres throughout Ontario.

A trend of this nature would probably actually prove an advantage to chain grocery stores. The most profitable units in the chain system are the large market type stores which can handle a very heavy volume of business. Stores of this type frequently handle well over $500,000 per annum, and there are a number that go over the million dollar mark. In the medium-sized centres, there is usually room for at least one of these units, and their operation is rendered the more profitable since in towns of this size there is usually an influx of buying by farmers from a number of miles around.

Stay in Ontario

Expansion of the Loblaw system into other provinces is not currently being contemplated, it is understood. With the exception of Quebec, there are few areas to compare with southern Ontario from a chain store point of view. The existence of one or two large cities in a province is not generally considered adeqnate reason for introducing a chain store system in such a province. Supply depots, shipping centres and accounting centres, as well as a buying and supervising staff would have to be set up and have to be almost as comprehensive as the central organization for servicing Ontario.

Consequently, unless an area is fairly heavily populated, the cost of entering it would handicap the operation of the two or three units which could be established. Quebec, owing to previous legislation unfavorable to chain stores, is not apparently regarded as a favorable locale by these organizations, although it is admitted that the distribution of Quebec's population and the large number of heavily industrialized towns in the province would attract chain store operators under normal circumstances.

Stay in Distribution

Nor it is anticipated that Loblaw's or other chain store operators will extend their operations vertically by entering the production end of the foodstuff industry. Although a number of attempts have been made in this direction and most chain stores have their private brands of merchandise, the entry into actual production of these lines has usually proved unprofitable in the past.

This should not be interpreted as indicating that the Loblaw company will not at some future time expand beyond the borders of Ontario, but for the first years of the postwar period at least, the company appears likely to find itself fully occupied in adjusting its services to meet the chain's demands caused by wartime population.

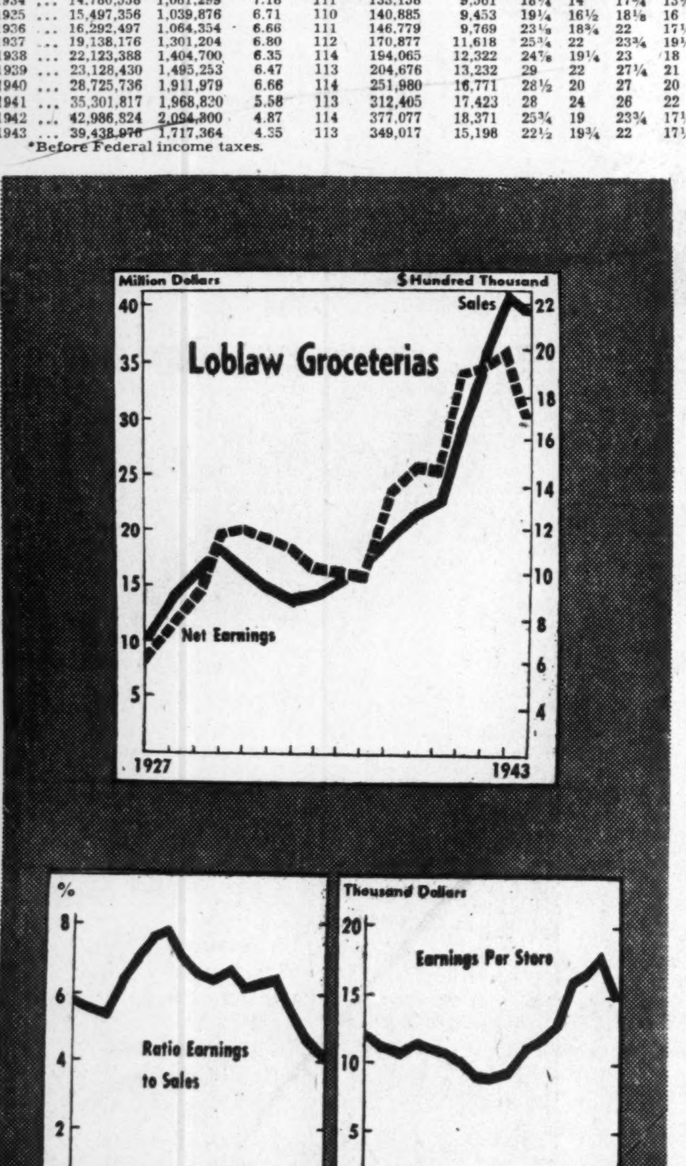
How extensive, and how profitable the subsequent expansion will be, will naturally depend to a great extent on the general level of employment, wages and prices after the war. If, for example, the current level of sales could be maintained after the war, and taxes were cut back to a prewar level, it would mean an extra $440,000 to $600,000 in net earnings, or somewhere around 50 cents per share. Whether or not such a favorable development will be realized is, of course, currently not predictable. But it is evident that Loblaw Groceterias has established a firm place for itself in the economy of Ontario and that granted favorable conditions, the company's management and personnel will be able to take full advantage of them.

In view of the stable nature of Loblaw's past operations, the stock has fluctuated within very narrow limits since the $1 regular dividend rate was established in 1935. In five of the eight years, a low of $20 per share of class A stock was recorded, indicating that a yield of 5% (calculated on the regular $1 dividend; 6¼% if the extra 25 cents which has been paid annually since 1937 is included) is regarded as a most satisfactory buying level. Judged by the performance of these years, Loblaw is getting into dangerously high ground when it approaches or passes $25, although in 1939, '40 and '41 the stock reached 29, 28½ and 28 respectively. Prices of the B stock, less actively traded, have been similar in trend, somewhat lower in value.

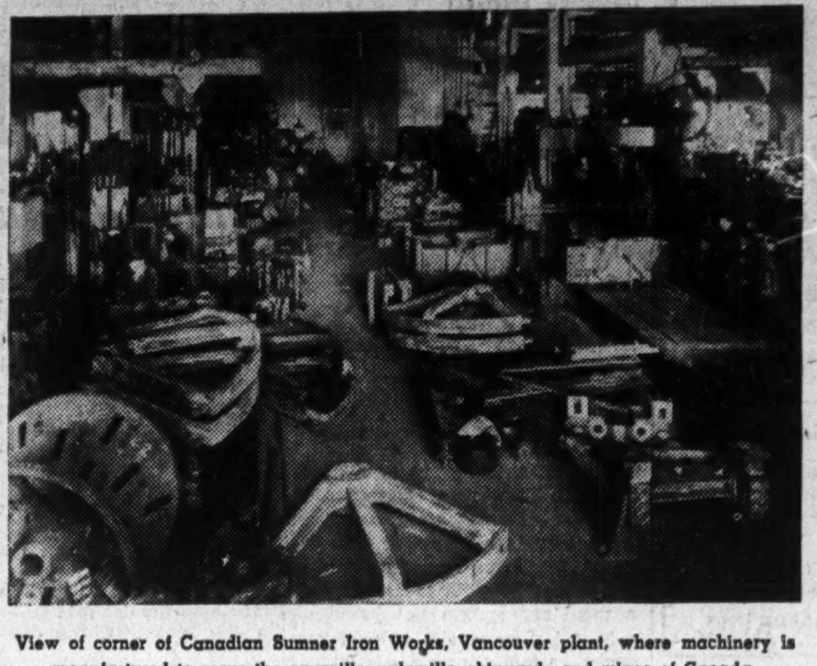
Statistical Record, Years Ended May 31

	Sales	*Net earnings	% Earns. to sales	Stores	Sales per store	*Earn. per store	Class A High	Class A Low	Class B High	Class B Low
1933 ...	14,219,053	1,131,852	7.96	107	132,888	10,578	21½	10¼	21	10⅛
1934 ...	14,780,558	1,061,299	7.18	111	133,158	9,561	18¼	14	17¾	13½
1925 ...	15,497,356	1,039,876	6.71	110	140,885	9,453	19¼	16½	18⅛	16
1936 ...	16,292,497	1,064,354	6.66	111	146,779	9,769	23⅛	18¾	22	17¼
1937 ...	19,138,176	1,301,204	6.80	112	170,877	11,618	25¾	22	23¾	19½
1938 ...	22,123,388	1,404,700	6.35	114	194,065	12,322	24⅞	19¼	23	18
1939 ...	23,128,430	1,495,253	6.47	113	204,676	13,232	29	22	27¼	21
1940 ...	28,725,736	1,911,979	6.66	114	251,980	16,771	28½	20	27	20
1941 ...	35,301,817	1,968,820	5.58	113	312,405	17,423	28	24	26	22
1942 ...	42,986,824	2,094,800	4.87	114	377,077	18,371	25¾	19	23¾	17¼
1943 ...	39,438,976	1,717,364	4.35	113	349,017	15,198	22½	19¾	22	17½

*Before Federal income taxes.



Impact of war on grocery operations is clearly shown by the sharp dip in the most recent figures of Loblaw Groceterias Co. In the upper chart, sales (solid line, in millions) fell off a year ago with the imposition of rationing, but current sales are understood to have ceased their decline. Net earnings before taxes, (dotted line, in hundreds of thousands) dipped more steeply, owing to increased operating costs and the disappearance of many high profit-margin lines. Ratio of earnings to sales, (lower left) has fallen to the neighborhood of 4% from a pre-war 6% as a direct consequence, but earnings per store (lower right) are still high because of the heavy volume of wartime sales.



View of corner of Canadian Sumner Iron Works, Vancouver plant, where machinery is manufactured to serve the sawmills, pulpmills, shipyards and mines of Canada.

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—Photo by Page Toles.

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by F/O "Rocky" Sherk

Canadian D.F.C. and Bar
As Told to Gordon Sinclair

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